MEHTA & PAI

CA. SURESH S. MEHTA
B.Com. (Hons.), F.C.A.

CA. ARUN K. PAI
B.Com. (Hons.), F.C.A.

CHARTERED ACCOUNTANTS
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Independent Auditor's Report

To the Members of Highbar Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Highbar Technologies Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

4. We draw attention to Note (2.38) to the financial statements, which indicates that the company has incurred net loss of Rs. 1,712.64 lakhs during the current year ended 31 March 2019 and as of that date, has accumulated losses amounting to Rs. 1,396.53 lakhs which has resulted in complete erosion of its net-worth and its current liabilities exceeded its current assets by Rs. 2,532.59 lakhs. The operations of the company are dependent on the services being provided to the Holding Company. The above factors indicate a material uncertainty, which may cast significant doubt about the company's ability to continue as a going concern. However, basis the support of the Holding Company and other factors mentioned in the aforesaid note to the financial statements, management is of the view that going concern basis of accounting is appropriate. Our opinion is not modified in this matter.

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

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fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

13. Company has not paid any remuneration to its directors during the year hence comment on applicability of provisions of and limits laid down under section 197 read with Schedule V to the Act are not applicable.

14. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

15. Further to our comments in Annexure B, as required by section 143(3) of the Act, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account

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d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed unmodified;

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2019;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;

For **Mehta & Pai**
Chartered Accountants
Firm's Registration No.: 113591W

Suresh Mehta
Partner
Membership No.: 032230

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Place: Mumbai
Date:

Annexure A to the Auditors' Report

Annexure referred to in paragraph (3) of our Report of even Date on the Accounts for the year ended 31st March, 2019 of HIGHBAR TECHNOLOGIES LIMITED.

1. The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets. All fixed Assets have been physically verified by the Management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification as compared to books of accounts. Based on our audit procedures performed and according to the information and explanations given by the management, the title deeds of immovable property are held in the name of the company.

2. The Company does not hold any inventories and therefore, Clause (ii) of Paragraph 3 of the Order is not applicable to the Company.

3. Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act 2013.

   a) In our opinion, the terms and conditions of the grant of such loans are not prima facie, prejudicial to the company's interest;
   b) The schedule of repayment of principal and payment of interest has not been stipulated and hence we are unable to comment as to whether repayment and receipts of the principal amount and interest are regular;
   c) In the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than ninety days and whether reasonable steps have been taken by the company for the recovery of principal amount and interest.

4. The Company has not entered into any transaction covered under Section 185. In our opinion, the company has complied with the provisions of Section 186 in respect of inter corporate loan given.

5. The Company has not accepted any deposits from public within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company. According to the information and explanations provided to us, no order has been passed by the Company Law Board or National Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.

6. The Central government has not prescribed the maintenance of cost records under sub-section (1) of section 148(1) of the Companies Act, 2013. Accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.

7. (a) According to the records of the company, the company is generally regular in depositing undisputed statutory dues including provident fund, Employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, goods & service tax (GST), cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, goods & service tax were outstanding

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at the year-end for a period of more than six months from the date they became payable.

(b) According to the records of the company, there are no dues outstanding of income tax, sales tax, service tax, duty of custom , duty of excise, value added tax, goods and service tax (GST) on account of any dispute.

8. There are no loans or borrowings payable to Government . The Company has defaulted in repayment of following dues to the Bank during the year, which were paid on or before the balance sheet date. These information is produced as per the original credit arrangement letter dated 28th May, 2013 with respect to terms of repayment of loan and interest :

in lacs

		TERM LOAN		OVERDRAFT	
Bank	Days	Principal Rs.	Interest Rs.	Principal Rs.	Interest Rs.
ICICI Bank					
	0-30		23.19		59.07
	30-90	113	52.24		63.56

However, we are informed that the company has proposed on 27th June, 2018 for revision in repayment schedule to be completed up to 31st December, 2019. The Company did not have any outstanding debentures during the year.

9. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) of paragraph 3 is not applicable to the Company and hence not commented upon.

10. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

11. Based on our audit procedures performed and according to the information and explanations given by the management, we report that no managerial remuneration has been paid / provided to which the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the act are applicable.

12. In our opinion, the Company is not a Nidhi company. Accordingly, provisions of clause (xii) of paragraph 3 of the Order are not applicable.

13. Based on our audit procedures performed and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable Ind AS.

14. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

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Chartered Accountants

15. In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

MEHTA & PAI
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Chartered Accountants

For Mehta & Pai
Chartered Accountants
(Firm Registration No. 113591W)

Place: Mumbai
Date:

(Suresh Mehta)
(Partner)
(Membership No. 032230)

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Highbar Technologies Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mehta & Pai
Chartered Accountants
(Firm Registration No. 113591W)

MEHTA & PAI
MUMBAI
Chartered Accountants

Place: Mumbai
Date:

(Suresh Mehta)
(Partner)
(Membership No 032230)

HIGHBAR TECHNOLOGIES LIMITED

STANDALONE BALANCE SHEET AS AT 31st March'19

	Notes	As at 31 Mar'19 ₹ in Lacs	As at 31 Mar'18 ₹ in Lacs
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2.01	1,205.38	1,323.69
(b) Intangible assets	2.01	80.93	161.85
(c) Investments in an associate & subsidiaries	2.02	100.99	100.99
(d) Financials Assets			
(i) Investments	2.03	0.02	0.02
(e) Income tax assets (Net)	2.04	363.10	286.64
(f) Deferred tax assets (net)	2.05	76.25	70.37
(g) Other non-current assets	2.06	0.25	0.25
		1,826.93	1,943.81
(2) Current assets			
(a) Financials Assets			
(i) Trade receivables	2.07	441.10	917.64
(ii) Cash and cash equivalents	2.08	355.55	166.63
(iii) Financial guarantees	2.09	8.03	-
(iv) Loans	2.10	5.93	1,531.57
(b) Other current assets	2.11	164.54	105.71
		975.15	2,721.56
TOTAL		2,802.08	4,665.37
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	2.12	625.00	625.00
(b) Other Equity	2.13	(1,396.53)	300.05
		(771.53)	925.05
LIABILITIES			
(1) Non current liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.14	-	774.91
(ii) Other financials liabilities	2.15	44.20	44.20
(b) Provisions	2.16	21.66	22.02
		65.86	841.13
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.17	446.42	1,229.59
(ii) Trade payables	2.18		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,090.82	1,353.18
(iii) Other Financial Liabilities	2.19	700.00	125.00
(b) Other current liabilities	2.20	160.39	72.38
(c) Provisions	2.21	110.10	119.04
		3,507.74	2,899.19
TOTAL		2,802.08	4,665.37
III. Significant accounting policies and notes to accounts.	1 & 2		

The accompanying notes including other explanatory information form an integral part of the financial statements.

As per our reports attached
For MEHTA & PAI
Chartered Accountants
FRN - 113591W

MEHTA & PAI
MUMBAI
Chartered Accountants

Suresh S Mehta
Partner
Membership No. 032230
Place : Mumbai
Date :
18 MAY 2019

For & on behalf of Board of Directors

Aditya Jain
Director
DIN: 08115375

S. Sridevi

Sridevi Iyengar
Director
DIN: 00011094
Place: Mumbai
Date :

Amit Uplenchwar
Director
DIN: 06862760

HIGHBAR TECHNOLOGIES LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st Mar 2019

		Note No.	Year ended 31 Mar 2019 ₹ in Lacs	Year ended 31 Mar 2018 ₹ in Lacs
I	**INCOME**			
	(a) Revenue from operations	2.22	2,566.11	2,181.1
	(b) Other Income	2.23	333.08	436.8
	TOTAL INCOME		2,899.19	2,617.9
II	**Expenses**			
	(a) Cost of sale of licenses	2.24	102.97	740.3
	(b) Emloyees benefit expenses	2.25	275.52	279.1
	(c) Finance Cost	2.26	246.30	251.0
	(d) Operation and other expenses	2.27	2,098.87	1,239.9
	(e) Depreciation and amortisation expenses		174.22	186.1
	TOTAL EXPENSES		2,897.87	2,696.6
III	**Profit/(Loss) before exceptional items, share of net profits of investments accounted for using equity method & tax**		1.32	(78.6
	Share of net profit of associates accounted for using equity method		-	-
	Profit/(Loss) before exceptional items & tax		-	-
	Exceptional item			
	Provision for doubtful debts		(177.66)	
	Provision for doubtful deposits		(1,549.83)	
			-	-
IV	**Profit/(Loss) before tax**		(1,726.18)	(78.6
V	**Tax expenses :**			
	Current tax		-	-
	Adjustment of tax relating to earlier years		-	(3.4
	Deferred tax (Charge) / Credit		5.88	10.6
VI	**Profit/(loss) for the year ended**		(1,720.29)	(71.47
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	- Gain on fair value of defined benefit plans as per valuation		7.65	0.8
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
			-	-
	Total Comprehensive Income for the year		(1,712.64)	(70.67
VII	**EARNINGS PER EQUITY SHARES**			
	Earnings per equity share Basic & Diluted (face value of Rs. 10/-each)		(27.40)	(1.13
VIII	Significant accounting policies and notes to accounts.	1&2		

The accompanying notes including other explanatory information form an integral part of the financial statements.

As per our reports attached
For MEHTA & PAI
Chartered Accountants
FRN - 113591W

Suresh S Mehta
Partner
Membership No. 032230
Place : Mumbai
Date :

MEHTA & PAI
MUMBAI
Chartered Accountants

18 MAY 2019

For & on behalf of Board of Directors

Aditya Jain
Director
DIN: 08115375

S. Sridevi
Sridevi Iyengar
Director
DIN: 00011094
Place: Mumbai

Amit Uplenchwar
Director
DIN: 06862760
Date :

HIGHBAR TECHNOLOGIES LIMITED

Standalone Cash Flow Statement as at 31st March 2019

	31-Mar-2019	31-Mar-2018
	₹ in Lacs	₹ in Lacs
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(1,726.18)	(78.69)
Adjustments for :		
Depreciation	174.22	186.16
Finance charges	246.30	251.08
Interest earned	(9.01)	(173.86)
Dividend Income	(128.50)	-
Loss on sale of Assets	5.01	-
Unrealised foreign exchange gain (Net)	-	(0.92)
Operating profit/(Loss) before working capital changes :	(1,438.16)	183.76
Adjustments for changes in working capital		
Changes in trade receivable	476.55	238.86
Changes in other currents assets	(58.83)	484.33
Financial guarantees	8.04	8.07
Changes in Noncurrent Liabilities	-	(53.92)
Changes in trade payables	737.64	(40.06)
Changes in Other current liabilities	86.37	52.30
Changes in financials liabilities	575.00	(24.20)
	1,824.76	665.38
Cash generated from operations	386.61	849.14
Direct taxes paid	(76.46)	(60.29)
NET CASH FLOW FROM OPERATING ACTIVITIES	310.14	788.85
CASH FLOW FROM INVESTING ACTIVITIES		
Transfer to Intangible Assets	-	(267.79)
Addition to Fixed Assets (Net)	-	(172.30)
Proceeds from Sale of Fixed Assets	20.00	-
Investments in an associates	-	(96.00)
Interest received	9.01	173.86
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITY	29.01	(362.23)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(774.91)	(75.09)
Changes in Loans	1,525.64	(229.25)
Proceeds from short term borrowings	(783.17)	18.77
Dividend Income	128.50	-
Interest paid during the period	(246.30)	(251.08)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITY	(150.23)	(536.65)
NET INCREASE IN CASH AND CASH EQUIVALENTS	188.92	(110.03)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	166.63	276.66
CASH AND CASH EQUIVALENTS AS AT END OF THE YEAR	355.55	166.63

Notes

1 Details of Cash & Cash Equivalents are given in note no. 2.08

2 Previous year figures have been regrouped/recast whereever necessary

As per our reports attached
For MEHTA & PAI
Chartered Accountants
FRN - 113591W

MEHTA & PAI
MUMBAI
Chartered Accountants

Suresh S Mehta
Partner
Membership No. 032230
Place : Mumbai
Date :
8 MAY 2019

For & on behalf of Board of Directors

Aditya Jain
Director
DIN: 08115375

S. Sridevi

Sridevi Iyengar
Director
DIN: 00011094
Place: Mumbai

Amit Uplenchwar
Director
DIN: 06862760
Date :

HIGHBAR TECHNOLOGIES LIMITED

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31st March 2019.

Background

The company carries on the business of developing, designing, buying, selling, importing, exporting, marketing, dealing in, distributing, licensing, integrating, interfacing, customizing, implementing, maintaining & supporting services, products, tools, accessories used in the field of Information Technology.

1) Significant Accounting Policies :

1.01 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015. (as amended form time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities and contingent consideration which have been measured at fair value.

Though the net working Capital of the compant is negative, it has received letter from its parent company that they will support the operations of the Company for a period of 12 months. Accordingly financial statements have been prepared on going concern.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

1.02 Operating Cycle for current & Non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract/ service including the defect liability period, wherever applicable, and extends up to the realisation of receivables within the credit period normally applicable to the respective project.

1.03 Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

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1.04 Key Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

a **Contract Estimate**

The Company, being a part of Information Technology industry, prepares budgets in respect of each contract to compute project profitability. The two major components of contract estimate are 'claims arising during implementation period' and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) Estimates for contingencies (iii) There will be no change in milestone and (vii) price variation etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b **Defined benefit plans**

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c **Deferred tax assets**

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

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1.05 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition, including attributable interest and finance costs, if any till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

1.06 Intangible Assets

Intangible assets comprise of patents and other application software acquired / developed. These

assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

1.07 Depreciation/ Amortisation

Depreciation on Fixed assets is provided as follows :

a) In respect of Building, furniture and fixtures, office equipment, computers, Servers and plant and Equipment, on straight line basis at rates determined on the basis of useful lives prescribed in Schedule II to the Act, on a pro-rata basis.

b) Intangible assets are amortized on the basis of the useful life, based on the management experience of use of asset.

c) Leasehold improvements are amortized over the period of lease or their estimated useful lives as determined by the management, whichever is lower.

1.08 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets

i) Initial Recognition

In the case of financial assets not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

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Financial Assets Measured at Fair Value

Financial assets are measured at fair value through other comprehensive income ("OCI") if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind As, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2015 of its investments in associates and shares of Co-operative Society and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2015.

iii) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/ expense in the Statement of Profit and Loss.

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iv) De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b. **Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii) Financial Liabilities

Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

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Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.09 Employee Benefits

1.09.1 Defined Contribution plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund and superannuation scheme are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

1.09.2 Defined Benefit plan

The Company provides for gratuity and compensated absences which are defined benefit plans, the liabilities of which are determined based on valuations, as at the balance sheet date, made by independent actuaries using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

1.09.3 Leave Entitlement & Compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short term benefit. Leave entitlement, other than short term compensated absences, are provided based on actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses in respect of leave entitlement are recognised in the statement of Profit and Loss in the period in which they occur.

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1.09.4 **Short-term Benefits**

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

1.10 **Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

1.11 **Borrowing Costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs. All other borrowing cost are expensed in the peiod in which they occur.

1.12 **Accounting of Foreign Exchange Transactions**

a **Initial Recognition**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b **Conversion**

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date.

c **Treatement of Exchange Difference**

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

1.13 **Revenue Recognition**

i. Revenue from software development on fixed price, fixed time frame contracts, including system development and integration contracts, where there is no uncertainty as to measurement or collectability is recognized as per percentage of completion method. Revenue from last billing date to the Balance Sheet date is recognized as unbilled revenue. Stage of completion is measured by reference to the proportion that service cost incurred for work performed to date bears to the estimated total service cost. Service cost incurred to date excludes costs that relate to future activity on the contract. Such costs are recognized as an asset and are classified as unbilled revenue as due from customers.

ii. Servicing revenue is recognized over the term of servicing contract. For sales of services, revenue is recognized in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of actual services provided as a proportion of the total services to be provided.

iii. Time and material contracts is recognized as and when the related services are provided.

iv. Annual Maintenance service contracts are recognized proportionately over the period in which services are rendered.

v. 'Unearned revenues' represent billing in excess of revenue recognised.

vi. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customers'.

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vii. Revenue from sale of user licenses for software applications is recognized on transfer of the title/product, in accordance with the sales contract. Revenue from product sales are shown as net of all applicable taxes and discounts.

viii. Provision for estimated losses, if any, on uncompleted contracts are recognized in the year in which such losses become probable based on the current estimates.

ix. Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

x. Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable EIR. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

xi. Rent is recognised on time proportionate basis.

1.14 Taxation

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a) Current Tax

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowance and exemptions in accordance with the Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Minimum Alternative tax (MAT) credit is recognized as assets only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit is eligible to be recognized as an asset in accordance with the recommendation contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit or loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the credit of MAT Credit entitlement to the extent that there is no longer convincing evidence to the effect that Company will pay normal Income tax during the specified period.

b) Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the timing differences between the financials statement's carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liability are measured using the enacted tax rates that are substantively enacted at the balance sheet date. The effect of deferred tax assets and liability of a change in tax rate is recognized in the period that includes the enactment date. Where there is an unabsorbed depreciation and carry forward losses, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that they can be realized against future taxable profit. Where there is no unabsorbed deprecation / carry forward losses, deferred tax assets are recognized only to the extent there is a reasonable certainty of realization in future. Such assets are reviewed at each balance sheet date to reassess realization.

1.15 Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation.

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1.16 Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

1.17 Trade receivables

A receivable is classified as a 'Trade Receivable' if it is in respect of the amount due on account of licenses sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

1.18 Trade payables

A payable is classified as a 'Trade Payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods, licenses and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

1.19 Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

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1.20 **Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed where an inflow of economic benefits is probable.

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HIGHBAR TECHNOLOGIES LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31st Mar 2019

2.01

PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lacs)

Particulars	Tangible assets							Intangible Assets	
	Plant and machinery	Computers	Office equipment	Furniture and fixtures	Building and shed	Leasehold improvements	Total	Computer software	Total
Gross block									
As at 31 March 2017	0.97	75.55	43.55	43.38	931.18	407.79	1,502.43	(0.00)	-
Additions	-	154.00	18.30	-	-	-	172.30	267.79	267.79
Deductions/ disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2018	0.97	229.56	61.85	43.38	931.18	407.79	1,674.73	267.79	267.79
Additions	-			-	-		-		-
Deductions/ disposals	-	-	-	-	-	(123.02)	(123.02)	-	-
As at 31 March 2019	0.97	229.56	61.85	43.38	931.18	284.77	1,551.71	267.79	267.79
Accumulated depreciation / amortisation and impairment losses									
As at 31 March 2017	0.77	28.50	41.41	41.02	62.05	97.07	270.81	(0.00)	(0.00)
Depreciation/ amortisation charge	0.08	17.08	0.78	0.10	19.44	42.75	80.22	105.94	105.94
As at 31 March 2018	0.84	45.61	42.19	41.09	81.49	139.81	351.04	105.94	105.94
Depreciation/ amortisation charge	0.06	35.56	3.48	0.10	14.75	39.35	93.30	80.93	80.93
Accumulated depreciation/ amortisation on disposals						(98.01)	(98.01)	-	-
As at 31st March 2019	0.90	81.17	45.67	41.19	96.24	81.15	346.32	186.86	186.86
Net block									
As at 31 March 2017	**0.21**	**47.05**	**2.14**	**2.36**	**869.14**	**310.71**	**1,231.61**	**0.00**	**0.00**
As at 31 March 2018	**0.13**	**183.95**	**19.66**	**2.29**	**849.70**	**267.98**	**1,323.69**	**161.85**	**161.85**
As at 31 March 2019	**0.07**	**148.38**	**16.18**	**2.20**	**834.94**	**203.61**	**1,205.38**	**80.93**	**80.93**

	Year ended 31 Mar 2019 ₹ in Lacs	Year ended 31 Mar 2018 ₹ in Lacs
2.02 Investments in an associate & subsidiaries		
Unquoted		
a) In associate company		
-Investment in equity instruments - at cost		
99,940 Share of Rs 10/- each of 'Highbar Technocrat Limited'	100.99	100.99
(Previous year 99,940 Share of Rs 10/- each)		
TOTAL	100.99	100.99
2.03 Non-current Investments -Unquoted		
45 Share of Hindustan Kohinoor Co Op Society of ` 50/- each	0.02	0.02
TOTAL	0.02	0.02
2.04 Income tax assets (net)		
i. The following table provides the details of income tax assets and liabilities as at 31 March 2019 and 31 March 2018:		
a) Income tax assets	460.09	383.63
Current income tax liabilities	(96.99)	(96.99)
Net balance	363.10	286.64
ii. The gross movement in the current tax asset/ (liability) for the years ended 31 March 2019 and 31 March 2018 is as follows:		
Net current income tax asset at the beginning	286.64	229.75
Income tax paid	76.46	56.89
Net current income tax asset at the end	363.10	286.64
iii. Income tax expense in the Statement of Profit and Loss comprises:		
Current income taxes	-	-
Deferred income taxes #	5.88	10.63
Income tax expenses	-	-

Entire deferred income taxes for the years ended 31 March 2019 and 31 March 2018, relates to origination and reversal of temporary differences.

iv. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:		
Profit /(loss) before income tax	(1,669.46)	(83.69)
Applicable income tax rate	26.00	25.75
Computed expected tax expense	-	-
Effect of expenses not allowed for tax purpose	-	-
Effect of income not considered for tax purpose	-	-
Income tax expense charged to the Statement of Profit and Loss	-	-

2.05 Deferred tax assets

Components of deferred income tax assets and liabilities arising on account of temporary differences are:			
Deferred income tax liability			
Timing difference on tangible and intangible assets depreciation and amortisation		(2.95)	(8.81)
- OTHERS		(14.30)	(14.30)
TOTAL	(i)	(17.26)	(23.11)
Deferred income tax asset			
Business loss/ unabsorbed depreciation		8.88	8.88
Others		84.63	84.60
TOTAL	(ii)	93.51	93.48
Total deferred tax assets (net)	**(i) + (ii)**	76.25	70.37
2.06 Other non-current assets			
Deposit with Sales tax dept.		0.25	0.25
TOTAL		0.25	0.25

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HIGHBAR TECHNOLOGIES LIMITED

Notes for the year period ended 31st Mar 2019

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
	₹ in Lacs	₹ in Lacs
2.07 Trade receivable		
Current		
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured	441.10	917.64
(c) Trade Receivables which have significant increase in Credit Risk;	-	-
(d) Trade Receivables - credit impaired.	185.67	8.08
Less - Allowance for credit loss	(185.67)	(8.08)
TOTAL	441.10	917.64
* - Inculdes due from related parties (refer note no 2.30)		
2.08 Cash & cash equivalents		
Balances with banks - Current Accounts in INR	148.37	48.53
Fixed deposits with Bank	207.18	118.10
TOTAL	355.55	166.63
2.09 Current Assets - Financial guarantees	8.03	0.00
TOTAL	8.03	-
2.10 Loans		
Loan Receivable - credit impaired		
Security Deposit / ICD to fellow Subsidaries	1,549.83	
Less :- Provision for Doubtfull deposits	(1,549.83)	-
Loan Receivable considered good - Unsecured	5.93	1,531.57
	5.93	1,531.57
2.11 Other current assets		
Advance to suppliers	0.29	1.66
Prepaid expenses	100.38	0.60
Balances with related parties	36.91	39.22
Interest receivable	4.38	2.26
Rent and Other deposits	1.70	61.96
Unbilled revenue	20.89	-
TOTAL	164.54	105.71
2.12 EQUITY SHARE CAPITAL		
(A) Authorised		
1,30,00,000 Equity shares of Rs. 10/- each (Previous Year 1,30,00,000 Equity shares of Rs. 10/- each)	1,300	1,300
TOTAL	1,300	1,300
(B) Issued, Subscribed and Paid up		
62,50,000 equity shares of Rs. 10/- each fully paid (Previous Year 62,50,000 equity shares of Rs 10/- each)	625.00	625.00
(Hindustan Construction Company Limted and it's nominees holds 62,50,000 equity shares (Previous year 62,50,000 euity shares)		
TOTAL	625.00	625.00

Reconciliation of the shares outstaning at the beginning and at the end of the reporting period

Equity Shares :

		Year ended 31 Mar 2019	Year ended 31 Mar 2018
Number of shares outstanding at the beginning	Qty	62,50,000	62,50,000
	Value	625	625
Add : Share issued and allotted	Qty		-
	Value		-
Number of shares outstanding at the End	Qty	62,50,000	62,50,000
	Value	625	625

Terms / Rights attached to shares :

As a part of the Authorised share capital the company can issue a maximum 1,30,00,000 Equity Shares. The Company has only one class of equity shares having face value as Rs. 10/- each. Every holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts.

Holding Compnay:

Hindustan Construction Company Limited

Shareholding of more than 5%:

Name of the Shareholder

Hindustan Construction Company Limited	% Held	100%	100%
	No of Shares	62,50,000	62,50,000

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	Year ended 31 Mar 2019 ₹ in Lacs	Year ended 31 Mar 2018 ₹ in Lacs

Bonus shares/ buy back/shares for consideration other than cash issued during past five years:

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil
(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
(iii) Aggregate number and class of shares bought back - Nil

2.13 Other Equity

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
Surplus / (Defecit)		
Opening balance	(749.69)	(679.02)
Add : Net profit/(loss) transferred from statement of profit & loss account	(1,712.64)	(70.67)
Closing balance of surplus / (deficit)	(2,462.34)	(749.69)
Capital reserves	1,025.66	1,025.66
Capital contribution from fellow subsidary	40.15	24.09
Balance carried forward	(1,396.53)	300.05

2.14 Non Current Financial liabilities - Borrowing

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
Term loan seured -		
from ICICI bank secured by charge created	700.00	899.91
Less Current maturities transferred to Current liabilities	(700.00)	(125.00)

* Note

(a) First exclusive charge on the current assets and fixed assets of the company.

(b) Mortgage over land situated at Kavsar, Thane Ghodbunder Road, Thane, Maharashtra (32 acres) of HRL(Thane) Real Estate Limited on first pari-passu basis.

(c) Pledge over 30% shareholding of HCC Real Estate Limited in HRL (Thane) Real Estate Limited.
(d) Pledge over 30% shareholding of the company held by Hindustan Construction company Limited.

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
TOTAL	-	774.91
Terms of repayment of loans from ICICI bank		
Principal repayment outstanding as on 31st March	700.00	899.91
Schedule of repayment		
2016-17		50.00
2017-18		100.00
2018-19		150.00
2019-20		150.00
2020-21		150.00
2021-22		200.00
2022-23		200.00
Overdue amout as on 31st March 2019		
Principal	-	25.00
Interest	-	24.91

(As per proposed revised payment schedule entire outstanding is repayable on or before 31st Dec2019).

2.15 Other financials liabilities - Non Current

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
Rent deposit	44.20	44.20
TOTAL	44.20	44.20

2.16 Provisions - Non Current

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
Provision for employee benefits :		
Provision for gratuity	15.88	15.23
Provision for leave encashment	5.78	6.79
TOTAL	21.66	22.02

2.17 Current liabilities - Borrowings

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
Secured		
Cash credit from ICICI Bank	197.29	980.46
Inter corporate deposits - unsecured		
From holding company	238.92	238.92
From fellow subsidiary	10.21	10.21
TOTAL	446.42	1,229.59

2.18 Trade Payables

	Year ended 31 Mar 2019	Year ended 31 Mar 2018
Sundry creditors	2,090.82	1,353.18
TOTAL	2,090.82	1,353.18

Note: The information, as required to be disclosed under the MSMED Act refer note No. 2.33

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MUMBAI
Chartered Accountants

HIGHBAR TECHNOLOGIES LIMITED

Notes for the year period ended 31st Mar 2019

	Year ended 31 Mar 2019 ₹ in Lacs	Year ended 31 Mar 2018 ₹ in Lacs
2.19 Other Financial Liabilities - Current		
* Term loan from ICICI Bank - Current maturities	700.00	125.00
TOTAL	700.00	125.00
2.20 Other current Liabilities		
TDS Payable	7.87	10.50
Professional tax payable	0.04	0.27
GST payable	23.85	0.52
PF payable	0.55	1.08
Unearned revenue	128.09	60.00
TOTAL	160.39	72.38
2.21 Provisions - Current		
Provision for gratuity	70.56	75.16
Provision for leave encashment	39.54	43.88
TOTAL	110.10	119.04
2.22 Income from operations		
Income from software services	2,463.14	1,435.36
Income from sale of licenses	102.97	745.76
TOTAL	2,566.11	2,181.12
2.23 Other Income		
Rental income	195.57	253.96
Others	-	3.12
Interest received	9.01	173.86
Dividend Income	128.50	5.00
Foreign exchange gain (Net)	-	0.92
TOTAL	333.08	436.87
2.24 Cost of licenses sold		
Cost of licenses sold	102.97	740.36
TOTAL	102.97	740.36
2.25 Employees Benefits Expenses		
Salary expenses	265.80	250.31
Contributions to Provident and other fund	9.28	8.92
Staff welfare expenses	0.43	19.94
TOTAL	275.52	279.17
2.26 Finance Cost		
Interest	238.27	243.01
Financial Gurantee expenses	8.03	8.07
TOTAL	246.30	251.08
2.27 Operation and other expenses		
Professional charges	1,909.59	1,004.54
Travelling and conveyance	0.04	0.63
Software Expenses.	0.07	-
Car hire charges	2.81	2.81
Rent	145.75	187.39
Rates and taxes	0.48	0.64
Repairs and maintenance	5.70	6.73
Stationery, postage, telephone and advertisement	0.63	0.13
Provision for doubtful debts	15.27	26.59
Loss on Sales of Assets	5.01	-
Auditors remuneration :		
- Audit Fees	2.05	2.00
- Tax Audit fees	0.45	
- Fees paid in other capacity	-	0.02
Miscelleneous expenses	11.04	8.42
TOTAL	2,098.87	1,239.90

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NOTE 2 : NOTES TO ACCOUNTS

2.28 The National Company Law Tribunal, Mumbai (NCLT) vide Order dated 30 August 2018, has admitted an application filed against Lavasa Corporation Limited (LCL) by an operational creditor and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 ('IBC'). In accordance with the provisions of IBC, the powers of the Board of Directors of LCL shall stand suspended and the management of LCL presently vests with the Resolution Professional ('RP') appointed under the provisions of IBC. HCC Real Estate Limited (HREL), a fellow subsidiary of the Company, is presently holding 68.70% equity stake in LCL. In view of uncertainties associated with the outcome of CIRP and as a matter of prudence, the Company had provided off its exposure in both these entities during the year ended 31 March 2019 as stated below.

(₹ in Lakh)

Particulars	HREL	LCL	Total
Trade Receivables	10.91	166.75	177.66
Non-current loans/ financial assets	800.62	56.33	856.95
Security deposits	650.00	42.88	692.88
Total	**1,461.53**	**265.96**	**1,727.49**

2.29 **Contingent Liabilities**

	31st March 2019	31st March 2018
Guaranty issued by Bank in respect of contracts	Rs. 1 Crore	Rs. 1 Crore

2.30 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A. Defined benefit obligations - Gratuity (unfunded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled t specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

a. Changes in defined benefit obligations

FOR THE YEAR	01.04.2018 to 31.03.2019	01.04.2017 to 31.03.2018
Present value of obligation as at the beginning of the period	90,38,341	87,07,410
Interest Cost	6,32,319	5,70,094
Current service cost	2,50,884	2,37,656
Remeasurements on obligation - Net actuarial (gains)/ losses	(7,64,999)	(79,718)
Benefits paid	(5,12,255)	(3,97,101)
	86,44,290	**90,38,341**
Add: Provision for separated employees	-	-
Present value of obligation as at the end of the period	**86,44,290**	**90,38,341**

b. Expenses recognised in the Statement of Profit and Loss for the year :

	Year Ended 31st March 2019	Year Ended 31st March 2018
Interest cost	6,32,319	5,70,094
Current service cost	2,50,884	2,37,656
Total	**8,83,203**	**8,07,750**

c. Remeasurement (gains)/ losses recognised in OCI

	Year Ended 31st March 2019	Year Ended 31st March 2018
Actuarial changes arising from changes in financial assumptions	27,331	(33,191)
Experience adjustments	(7,92,330)	(46,527)
Total	**-7,64,999**	**-79,718**

d. Actuarial assumptions

	31st March 2019	31st March 2018
Discount rate	6.8	7.2
Salary escalation rate - over a long-term	7.5	7.5
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate
Average future working lifetime	2.99 years	3.01 years

MEHTA & PAI MUMBAI Chartered Accountants

The estimates of future salary increases, considered in actuarial valuation, taking account of inflation, seniority, promotion and other relevant fact such as supply and demand in the employment market.

e. Impact of below changes in discount rate when base assumption is decreased / increase by 100 basis points.

Discount rate in %	31.03.2019 Defined Benefit Obligation	Discount rate in %	31.03.2018 Defined Benefit Obligation
5.80	8,715,705	6.20	9,105,673
7.80	8,576,789	8.20	8,974,669

Salary increment rate in %	31.03.2019 Defined Benefit Obligation	Salary increment rate in %	31.03.2018 Defined Benefit Obligation
6.50	8,598,830	6.50	8,995,461
8.50	8,691,470	8.50	9,082,829

Withdrawal rate in %	31.03.2019 Defined Benefit Obligation	Withdrawal rate in %	31.03.2018 Defined Benefit Obligation
32.00	8,645,762	32.00	9,038,938
34.00	8,642,899	34.00	9,037,778

f. Maturity analysis of defined benefit obligation

	31st March 2019	31st March 2018
Within the next 12 months	7,057,000	7,516,000
Between 2 and 5 years	1,887,000	1,849,000
Between 6 and 10 years	759,000	745,000
Total expected payments	**9,703,000**	**10,110,000**

2.31 **Disclosure in accordance with Ind As -24 Related Party Transaction**

Name of the Related Parties & Nature of Relationship

a)	**Holding Company**
	Hindustan Construction Company Limited
b)	**Associate Company**
	Highbar Technocrat Limited (Formerly known as Osprey Hospitality Ltd., Fellow Subsidiary upto 21st July, 2016)
c)	**Fellow Subsidiaries**
	Western Securities Limited
	HCC Real Estate Limited
	Panchkutir Developers Limited
	HCC Mauritius Enterprises Limited
	HCC Construction Limited
	HCC Infrastructure Company Limited
	HCC Mauritius Investments Limited
	HRL Township Developers Limited(taken over from HCC Real Estate Ltd on 01.06.2018)
	Maan Township Developers Limited(taken over from HCC Real Estate Ltd on 01.06.2018)
	Lavasa Corporation Limited till 30th Aug-18 ***
	HRL (Thane) Real Estate Limited
	Nashik Township Developers Limited
	Charosa Wineries Limited
	Powai Real Estate Developer Limited
	HCC Realty Limited
	HCC Aviation Limited
	HCC Operation and Maintenance Limited
	Dhule Palesner Operations & Maintenance Limited
	HCC Power Limited
	HCC Energy Limited
	Dasve Business Hotel Limited
	Dasve Hospitality Institutes Limited
	Dasve Convention Center Limited ***

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	Dasve Retail Limited
	Full Spectrum Adventure Limited
	Future City Multiservices SEZ Limited
	Hill City Service Apartments Limited
	Hill View Parking Services Limited
	Kart Racers Limited
	Lakeshore Watersports Company Limited
	Lakeview Clubs Limited
	Lavasa Bamboocrafts Limited
	Lavasa Hotel Limited
	Mugaon Luxury Hotels Limited
	My City Technology Limited
	Nature Lovers Retail Limited
	Our Home Service Apartments Limited
	Reasonable Housing Limited
	Rhapsody Commercial Space Limited
	Rosebay Hotels Limited
	Sahyadri City Management Limited
	Valley View Entertainment Limited
	Verzon Hospitality Limited
	Warasgaon Assets Maintenance Limited ***
	Warasgaon Infrastructure Providers Limited
	Warasgaon Power Supply Limited
	Warasgaon Tourism Limited
	Warasgaon Valley Hotels Limited
	Green Hills Residences Limited
	Steiner AG
	Steiner Promotions et Participations SA
	Steiner (Deutschland) GmbH
	VM + ST AG
	Steiner Leman SAS
	Eurohotel SA
	Steiner India Limited
	Manufakt8048 AG (w.e.f. 22 January 2018)
d)	**Other Related Parties**
	HCC Concessions Limited
	Narmada Bridge Tollways Limited
	Badarpur Faridabad Tollways Limited
	Baharampore-Farakka Highways Limited
	Farakka-Raiganj Highways Limited
	Raiganj-Dalkhola Highways Limited
	Ecomotel Hotel Limited
	Spotless Laundry Services Limited
	Whistling Thrush Facilities Services Limited
	Apollo Lavasa Health Corporation Limited
	Andromeda Hotels Limited
	Bona Sera Hotels Limited
	Starlit Resort Limited
	Nirmal BOT Limited
	Warasgaon Lake View Hotels Limited
	Knowledge Vistas Limited
	Evostate AG
	MCR Managing Corp. Real Estate
	Projektentwicklungsges. Parking Kunstmuseum AG
	Evostate Immobilien AG (w.e.f. 12 October 2017)
	Gulabchand Foundation (formed under section 25 of the Companies Act, 1956)
	Hincon Holdings Limited
	Hincon Finance Limited
	Shalaka Investment Private Limited
	Aarya Capital Management Private Limited
	HCC Employees Provident fund

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MUMBAI
Chartered Accountants

*** The subsidiaries, against whom The National Company Law Tribunal (NCLT) vide Order dated 30 August 2018, 17 December 2018 and 5 February 2019, has admitted an application filed against Lavasa Corporation Limited (LCL), Warasgaon Asset Maintenance Limited (WAML) and Dasve Convention Center Limited (DCCL) respectively by an operational creditor/ petitioner and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 (IBC). In accordance with the provisions of IBC, the powers of the Board of Directors of these subsidiaries shall stand suspended and the management of these subsidiaries presentaly vests with the Resolution Professional (RP) appointed under the provisions of IBC.

2.32 a Transaction with Related Parties during the Year:

(Figures Rs In Lakhs)

Nature of Transactions	31st March 2019	31st March 2018
Transactions during the year		
a) Intercorporate Deposits Given		
HCC Real Estate Limited	222.45	210.05
Lavasa Hotel Limited	-	6.48
Highbar Technocrat Limited	-	12.72
b) Intercorporate Deposits Received		
HCC Real Estate Limited	8.52	-
Highbar Technocrat Limited	6.79	-
c)Investments		
Highbar Technocrat Ltd. (Formerly known as Osprey hospitality Ltd)	-	96.00
d) Transfer of Fixed Assets		
Highbar Technocrat Limited	-	267.79
e) Interest paid		
Hindustan Construction Company Limited	29.87	29.87
Western Securities Limited	1.28	1.28
f) Interest Earned		
HCC Real Estate Limited	-	159.05
Lavasa Hotel Limited	-	6.48
Highbar Technocrat Limited	0.93	1.23
g) Rendering of professional services		
Hindustan Construction Company Limited	307.30	294.19
HCC Real Estate Limited	-	0.36
Steiner India Limited	2.93	3.05
Steiner AG	18.77	-
DMRC CC-34 (Alpine - Samsung - HCC Joint Venture)	23.11	0.28
Baharampore-Farakka Highways Ltd.	5.21	5.43
Farakka-Raiganj Highways Limited	5.21	5.43
Highbar Technocrat Limited	199.83	217.13
h) Rent Income		
Highbar Technocrat Limited	20.19	27.24
i) Receiving of Services/Professional Charges incurred		
Highbar Technocrat Limited	1,980.28	977.74
j) Purchase of Software		
Highbar Technocrat Limited	102.97	735.52
Outstanding Balance as at Year End		
1) Equity Share Capital Outstanding at Face Value:		
Hindustan Construction Company Limited	625.00	625.00
2) Inter Corporate Deposits Payable		
Hindustan Construction Company Limited	238.92	238.92
Western Securities Limited	10.21	10.21
3) Inter Corporate deposits Receivable		
ICD to HCC Real Estate Limited	800.62	769.65
ICD to Lavasa Hotel Limited	56.33	56.33
ICD to Highbar Technocrat Limited	5.93	12.72
4) Provision For Doubtful Deposits/Debts		
ICD to HCC Real Estate Limited	800.62	-
ICD to Lavasa Hotel Limited	56.33	-
Lavasa Corporation Limited	168.35	-
Dhule Palesner Tollway Ltd.	0.83	-
HCC Real Estate Limited	10.91	-
DMRC CC-34 (Alpine - Samsung - HCC Joint Venture)	0.32	-
Charosa Winneries Ltd.	0.72	-
HCC Real Estate Limited (security Deposit)	650.00	-

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MUMBAI
Chartered Accountants

Lavasa Hotel Limited (security Deposit)	42.88	-
5) Interest Receivable		
Lavasa Hotel Limited	2.21	-
Highbar Technocrat Limited	1.22	0.30
6) Interest Payable		
Western Securities Limited	2.40	1.25
7) Receivables Balances		
Lavasa Corporation Limited	168.35	168.35
Hindustan Construction Company Limited	29.38	120.78
Steiner India Limited	9.66	2.61
Dhule Palesner Tollway Ltd.	0.83	0.83
HCC Real Estate Limited	10.91	10.91
DMRC CC-34 (Alpine - Samsung - HCC Joint Venture)	0.32	0.32
Baharampore-Farakka Highways Ltd.	6.65	1.55
Farakka-Raiganj Highways Limited	5.65	1.09
Charosa Winneries Ltd.	0.72	0.72
Highbar Technocrat Limited	31.11	16.55
HCC - HDC	27.27	-
8) Rececivable Ledger Balance		
Highbar Technocrat Limited	31.59	31.59
9) Payable Balances		
Hincon holding Limited	0.70	0.82
Hindustan Construction Company Limited	1,636.00	741.99
Highbar Technocrat Limited	63.24	441.78
10) Deposit		
HCC Real Estate Limited	650.00	650.00
Lavasa Hotel Limited	42.88	42.88
11) Investments		
Highbar Technocrat Ltd. (Formerly known as Osprey hospitality Ltd)	100.99	100.99
12) Retention of Highbar Technocrat Ltd.	306.19	188.00
13) Corporate Guarantee taken and outstanding		
HCC Real Estate Limited *	897.29	1,880.37

* Restricted to current outstanding exposur, Original gaurantee Rs 22 Cr.

b **Transaction with Key Management Personnel during the Year: (Amt. in Rs. Lakhs)**

Nature of Transactions	31st March 2019	31st March 2018
Remuneration paid to Key Management Personnel	0	0

2.33 **Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006. As per requirement of Section of 22 of Micro, Small Medium Enterprises Development Act, 2006 following information is disclosed:**

S.No	Particulars	31st March 2019	31st March 2018
		Rs.	Rs.
(i)	Principal amount remaining unpaid to any supplier as at the end of each accounting year.	-	-
(ii)	Interest due on (i) above remaining unpaid	-	-
(iii)	Amounts paid beyond the appointed day during the accounting year	-	-
(iv)	Interest paid on (iii) above	-	-
(v)	Interest due and payable on (iii) above	-	-
(vi)	Interest accrued and remaining unpaid at the end of the accounting year	-	-
(vii)	Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961		-

The above information MICRO, Small and Medium Enterprises has been determined to the extent such parties have identified on the basis of information available with the company. This has been relied upon by the Auditors.

MEHTA & PAI
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Chartered Accountants

2.34 Earnings per Share

Rs. In Lacs

	2018-19	2017-18
a. Net Profit/(Loss) after Tax available for Equity Share holders	-1,712.64	-70.67
b. Weighted average of Number of Equity Shares (for Basic & Diluted EPS)	62.5	62.5
c. Basic & Diluted earnings per Share (in Rs.)	-27.40	-1.13
d. Face Value per Share (in Rs.)	10	10

2.35 Segment Information

Where a financial statement contains both a consolidated financial statement & separate financial statement of the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statement.

2.36 Financial risk management objectives and policies

During the year, no transactions are entered in foreign currency. consequently, the company is not exposed to foreign exchange risk. Hence,the analysis of foreign currency risk and sensitivity analysis is not required to be disclosed.

1) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, uncompleted contracts and value of work done, cash and cash equivalents and receivable from group companies.

a) Credit risk on trade receivables and uncompleted contracts and value of work done is limited to the extent the customers of the Company consists of the government promoted entities having a strong credit worthiness. For other customers, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and Uncompleted contracts and value of work done. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from government promoted agencies and others.

Particulars	31st March 2019	31st March 2018
Revenue from government promoted agencies	0.00%	0.22%
Revenue from others	100.00%	99.78%
Total Revenue in Lakhs	2,566.11	2,181.12

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2019 and 31 March 2018 is Nil respectively

b) Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

2) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.
The table below provide details regarding the contractual maturities of significant financial liabilities:

Rs in Lakhs

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2019					
Borrowings	446.42	700.00	-	-	1,146.42
Trade payables	-	2,090.82	-	-	2,090.82
Financial guarantee contracts	-	-	-	-	-
Interest accrued	-	-	-	-	-
Advances	-	-	-	-	-
Other financial liabilities	44.20	-		-	44.20
TOTAL	**490.63**	**2,790.82**	**-**	**-**	**3,281.45**

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2018					
Borrowings	1,229.59	125.00	774.91	-	2,129.50
Trade payables	-	1,353.18	-	-	1,353.18
Financial guarantee contracts	-	-	-	-	-
Interest accrued	-	-	-	-	-
Advances	-	-	-	-	-
Other financial liabilities	-	44.20		-	44.20
TOTAL	**1,229.59**	**1,522.38**	**774.91**	**-**	**3,526.88**

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Chartered Accountants

2.37 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is net debt divided by total capital.

Details	As at 31 March 2019	As at 31 March 2018
Total debt	1,146.42	2,129.50
Total equity	(771.53)	925.05
Net debt to equity ratio (Gearing ratio)	(1.49)	2.30

In order to achieve this overall objective, the Company's capital management,amongst other things,aims to ensure that it meets financial covenants attached to the interest -bearing loan and borrowing that define the capital structure requirements.

2.38

The Company has incurred net loss of Rs. 1,712.64 lakhs during the year ended 31 March 2019 and as at that date, it's current liabilities have exceeded its current ass by Rs. 2,532.59 lakhs and has accumulated losses amounting Rs. 1,396.53 lakhs which have resulted in complete erosion of the net-worth of the Company. The busine of the Company is dependent on the business of holding company and group entities as a whole. The Company is in the process of reassessing its business plan in view of expected growth opportunities and intends to expand its business operations going forward. The management of the Company, considering the continuous financia support from the holding company, have prepared the above financial statements on a 'Going Concern' basis.

2.39 Previous year figures have been regrouped/recast wherever necessary. As per our report attached.

As per our report attached

For MEHTA & PAI
Chartered Accountants
FRN.- 113591W

MEHTA & PAI
MUMBAI
Chartered Accountants

Suresh Mehta
Partner
Membership No. 032230
Date :

18 MAY 2019

For & on behalf of Board of Director

Aditya Jain
Director
DIN: 08115375

S. Sridevi
Sridevi Iyengar
Director
DIN: 00011094
Place: Mumbai

Amit Uplenchwar
Director
DIN: 06862760
Date :

HIGHBAR TECHNOLOGIES LIMITED
CIN No. U72900MH2009PLC197299
STATEMENT OF CHANGES IN EQUITY FOR FINANCIALS STATEMENT
Statement of Changes in Equity for the period ended 31st March'19

A . Equity Share Capital

Amount in (`) in Lacs

Balance as at 1 April 2018	Changes in Equity Share Capital during the period	Balance as at 31 March. 2019
625.00	-	625.00

B. Other Equity

Amount in (`) in Lacs

Particulars	Reserve and surplus							Revaluation Reserve	Other items of Other Comprehensive Income (specify nature)	Capital contribution from fellow subsidary	Total
	Capital Reserve (Forfeited Equity Share Warrants)	Forfeited debenture Accounts	Securities Premium Reserve	Other Reserves -Debenture Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Monetary Translation Account				
Balance at the beginning of the reporting period 01.4.2018	1,025.66	-	-	-	-	(749.69)	-	-	-	40.15	316.11
Addition during the year						(1,712.64)					(1,712.64)
Balance at the end of 31.03.2019	**1,025.66**	-	-	-	-	**(2,462.34)**	-	-	-	**40.15**	**(1,396.53)**

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