

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
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P. RAVINDRANATH

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INDEPENDENT AUDITOR'S REPORT

To
The Members of
ASTER RAIL PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Aster Rail Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flow for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

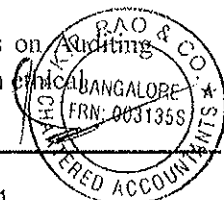
The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with



Branches

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Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

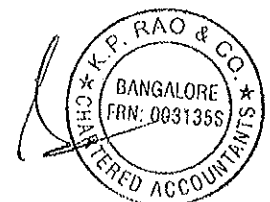
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2016, ('the Order'), issued by the Central Government of India in terms of Sub-section 11 of Section 143 of the Act, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
- 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 purposes 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Cash Flow Statement and the Statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors are disqualified as



K. P. RAO & CO.


CHARTERED ACCOUNTANTS

Continuation Sheet.....

on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's financial controls over financial reporting.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations as on March 31st, 2018 requiring disclosure in the financial statements.
 - ii. The Company has no long term contracts, including derivative contracts, for which there were any material foreseeable losses.
 - iii. There were no amounts that were required to be transferred to the Investor Education & Protection Fund by the Company.

For K.P.Rao & Co.,
Chartered Accountants
Firm's Registration No.: 003135S


K. Viswanath
Partner
Membership No.: 022812



Place: Hyderabad
Date: May 08, 2018

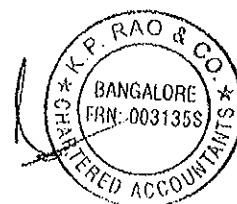
**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF ASTER RAIL PRIVATE LIMITED**

We report that;

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) According to the information and explanations given to us, the fixed assets have been physically verified during the year by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

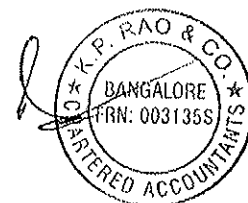
c) According to the information and explanations given to us the company has not held any immovable property during the year and hence paragraph 3(i)(c) of the Order is not applicable for the company.
2. According to the information and explanations given to us, the inventories have been physically verified by the company during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such physical verification.
3. a) According to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and accordingly reporting under clause (iii) of paragraph 3 of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan to any director, given any guarantee, provided any security in connection with any loan taken by any director or made investment through more than two layers of investment companies. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable.
5. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
6. According to the information and explanation given to us, the provisions of sub-section 1 of section 148 of the Companies Act, 2013 and rules made thereunder relating to maintenance of Cost Records are not applicable to the company for the year under audit. Accordingly reporting under clause (vi) of paragraph 3 is not applicable.
7. a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities.



b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax or Cess, which have not been deposited on account of any dispute, except:

Statute	Nature of Due	Forum where the dispute is pending	Period to which it pertains	Amount involved in Rs.
MP VAT Act 2002	Value Added Tax	Commercial Tax Officer	2009-10	203,814

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to Banks & Financial Institutions.
9. The Company has not raised any monies, during the reporting period, by way of initial public offer or further public offer. The Company has not raised any monies, by way of term loans during the year.
10. According to the information and explanations given to us, no fraud by, or by its officers or employees on the Company has been noticed or reported during the year.
11. The company is not restricted by the provisions of Section 197 in the payment of managerial remuneration to its directors. Accordingly, reporting under clause (xi) of paragraph 3 of the Order is not applicable.
12. The Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or convertible debentures during the reporting period. Accordingly, reporting under clause (xiv) of paragraph 3 of the Order is not applicable.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with any directors or persons connected with him. Accordingly, reporting under clause (xv) of paragraph 3 of the Order is not applicable.

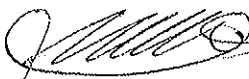


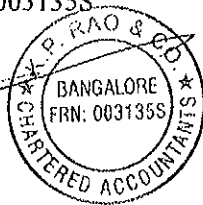
K. P. RAO & CO.
CHARTERED ACCOUNTANTS

Continuation Sheet.....

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

For K.P.Rao & Co.,
Chartered Accountants
Firm's Registration No. 003135S


K. Viswanath
Partner
Membership No. 022182



Place: Hyderabad
Date: May 08, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ASTER RAIL PRIVATE LIMITED

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 Aster Rail Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the 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". 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.

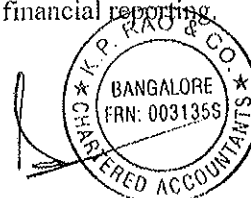
Auditors' Responsibility

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 judgement, including the assessment of the risks of material misstatement of the 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.



CHARTERED ACCOUNTANTS**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 authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 March 31, 2018, 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 K.P.Rao & Co.,

Chartered Accountants

Firm's Registration No. 003135S


K. Viswanath

Partner

Membership No. 022812



Place: Hyderabad

Date: May 08, 2018

Aster Rail Private Limited			
Balance Sheet As at March 31, 2018			
Amounts in Rupees in lakhs unless otherwise stated			
ASSETS	Note no.	As at 31 March 2018	As at 31 March 2017
1) Non-current assets			
a) Property, Plant and Equipment	3	2.48	4.42
b) Financial assets			
I. Investments	4	-	-
II. Trade Receivables	5	-	118.82
III. Other financial assets	6	134.42	62.17
c) Other non-current assets	7	123.84	114.17
d) Deferred tax assets (net)	8	12.34	7.06
2) Current assets			
a) Inventories	9	183.05	279.07
b) Financial Assets			
I. Trade Receivables	10	-	20.48
II. Cash and cash equivalents	11	1.93	0.01
III. Other Bank Balances	12	0.53	3.95
III. Loans	13	71.83	73.87
c) Other Current Assets	14	124.43	70.58
Total		654.85	754.60
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	15	309.88	309.88
b) Other Equity	16	(933.53)	(704.55)
LIABILITIES			
1) Non-current liabilities			
Provisions	17	22.98	18.79
2) Current liabilities			
a) Financial liabilities			
I. Borrowings	18	434.88	436.46
II. Trade Payables	19	210.37	469.03
III. Other financial liabilities	20	187.87	140.90
b) Provisions	21	3.56	3.92
c) Other current liabilities	22	418.84	80.17
Total		654.85	754.60

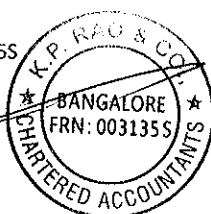
Corporate Information and Significant Accounting Policies
See Accompanying notes forming part of financial statements
As per our report of even date attached

1 & 2

For K P Rao & Co
Chartered Accountants
Firm Registration No: 003135S

K Viswanath
Partner
Membership No.: 022812

Place: Hyderabad
Date: May 08, 2018



For and on behalf of the Board of Directors of
Aster Rail Private Limited
(CIN : U72200TG20078TC053398)

K.Venkateswar Rao
Director
DIN: 02288213

Place: Hyderabad
Date: May 08, 2018

D V Ravi Kumar
Director
DIN : 02826724

Place: Hyderabad
Date: May 08, 2018



Aster Rail Private Limited
Statement of Profit & Loss for the Year ended March 31, 2018
Amounts in Rupees in lakhs unless otherwise stated

	Note no.	Year Ended March 31, 2018		Year Ended March 31, 2017	
I Revenue from operations	23	1,203.26		946.68	
II Other income	24	26.24		3.26	
III Total Income (I+II)			1,229.50		949.94
IV Expenses					
Cost of materials consumed	25	944.77		716.21	
Construction Expenses	26	203.88		156.40	
(Increase) / Decrease in Finished goods and Work in Progress	27	96.02		(185.27)	
Employee benefits expenses	28	87.69		101.41	
Finance cost	29	95.30		74.09	
Depreciation and amortisation expense	03	1.94		2.23	
Other expense	30	28.86		34.58	
V Total expenses (IV)			1,458.46		899.65
VI Profit/ (loss) before tax (I-IV)			(228.96)		50.29
VII Tax expense					
1) Current tax					
2) Deferred tax			0.02		(0.93)
VIII Profit/ (loss) for the Year (VI-VII)			(228.98)		51.22
IX Other comprehensive income					
A Items that will not be reclassified to profit or loss			-		-
B Items that will be reclassified to profit or loss			-		-
X Total comprehensive income for the Year (Profit/ (loss) + other comprehensive income)			-		-
XI Earnings per equity share					
1) Basic	34		(7.39)		1.65
2) Diluted			(7.39)		1.65
Corporate Information and Significant Accounting Policies	1 & 2		-		-

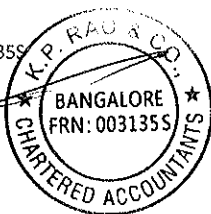
See Accompanying notes forming part of financial statements

As per our report of even date attached

For K P Rao & Co
Chartered Accountants
Firm Registration No: 003135S

K Viswanath
Partner
Membership No.: 022812

Place: Hyderabad
Date: May 08, 2018



For and on behalf of the Board of Directors of
Aster Rail Private Limited
(CIN : U72200TG20078TC053398)

(Signature)

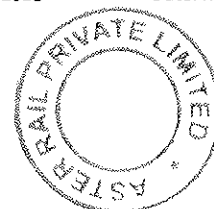
K Venkateswar Rao
Director
DIN: 02288213

Place: Hyderabad
Date: May 08, 2018

(Signature)

D V Ravi Kumar
Director
DIN : 02826724

Place: Hyderabad
Date: May 08, 2018



Aster Rail Private Limited
Cash Flow Statement for the Year ended March 31, 2018

Amounts in rupees in lakhs unless otherwise stated.

	Year Ended March 31, 2018	Year Ended March 31, 2017
Cash flows from operating activities		
Profit before tax for the Year	(228.96)	50.29
Adjustments for:		
Share of profit of a joint venture		
Finance costs recognised in profit or loss (Interest Exp)	95.30	74.09
Investment income recognised in profit or loss (Other Income)	26.24	3.26
Depreciation and amortisation of non-current assets	1.94	2.23
Amounts advanced to related parties	(70.21)	21.33
Movements in working capital:		
Increase in trade and other receivables	139.30	(6.21)
(Increase)/decrease in inventories	96.02	(185.27)
(Increase)/decrease in other assets	(53.85)	(50.04)
Decrease in trade and other payables	(258.66)	434.98
Increase/(decrease) in provisions	3.83	0.95
(Decrease)/increase in other liabilities	385.64	(86.79)
Cash generated from operations	136.59	258.83
Income taxes paid	(14.97)	(4.80)
Net cash generated by operating activities	121.62	254.03
Cash flows from investing activities		
Interest	(26.24)	(3.26)
Net cash (used in)/generated by investing activities	(26.24)	(3.26)
Cash flows from financing activities		
Proceeds from borrowings		
Repayment of borrowings	(1.58)	(197.90)
Interest paid	(95.30)	(74.09)
Net cash used in financing activities	(96.88)	(271.99)
Net increase in cash and cash equivalents	(1.50)	(21.22)
Cash and cash equivalents at the beginning of the Year	3.96	25.18
Cash and cash equivalents at the end of the Year	2.46	3.96

Notes:

1. The Cash Flow Statement is prepared in accordance with the indirect method.
2. Notes on accounts form an integral part of the Cash Flow Statement.
3. Figures in bracket represents cash outflows.

As per our report of even date attached

For K P Rao & Co

Chartered Accountants

Firm Registration No: 0031358

K Viswanath
Partner

Membership No.: 022812

Place : Hyderabad

Date: May 08, 2018



**For and on behalf of the Board of Directors of
Aster Rail Private Limited**

(CIN : U72200TG20078TC053398)

K Venkateswar Rao
K Venkateswar Rao
Director
DIN: 02288213

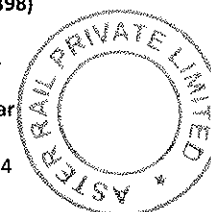
Place: Hyderabad

Date: May 08, 2018

D V Ravi Kumar
D V Ravi Kumar
Director
DIN : 02826724

Place: Hyderabad

Date: May 08, 2018



Aster Rail Private Limited
Statement of Changes in Equity for the Year ended 31 March 2018
Amounts in Rupees in lakhs unless otherwise stated

A. Equity Share Capital	Amount
Issued and paid up equity share capital	
Balance as at 01 April 2016	309.88
Changes in equity share capital during the Year	-
Balance as at 31 March 2017	309.88
Changes in equity share capital during the Year	-
Balance as at 31 March 2017	309.88

B. Other Equity

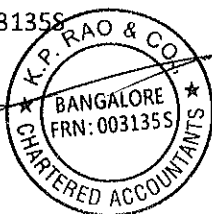
Particulars	Reserves & Surplus		Total
	General Reserve	Retained Earnings	
Balance as at 01 April 2016	-	(755.78)	(755.78)
Profit for the year	-	51.22	51.22
Other Comprehensive Income (net of income tax)	-	-	-
Balance as at 31 March 2017	-	(704.55)	(704.55)
Profit for the Year	-	(228.98)	(228.98)
Other Comprehensive Income (net of income tax)	-	-	-
Transfer to retained earnings	-	-	-
Balance as at 31 March 2018	-	(933.53)	(933.53)

As per our report of even date attached

For K P Rao & Co
Chartered Accountants
Firm Registration No: 0031358

K Viswanath
Partner
Membership No.: 022812

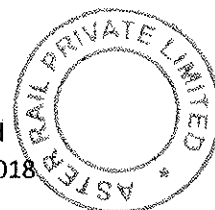
Place : Hyderabad
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For and on behalf of the Board of Directors of
Aster Rail Private Limited
(CIN : U72200TG20078TC053398)

K.Venkateswar Rao
Director
DIN: 02288213

Place: Hyderabad
Date: May 08, 2018



D V Ravi Kumar
Director
DIN : 02826724

Place: Hyderabad
Date: May 08, 2018

Aster Rail Private Limited

Notes to the financial statements for the Year Ended March 31, 2018

1 Corporate information:

Aster Rail Private Limited ('the Company') was incorporated on March 29, 2007 and is engaged in the business of designing, manufacturing, erection, installation, repairing and servicing of Railway signalling, telecommunication equipment and other equipment related to railways and train control systems.

2 Significant accounting policies:

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

2.2 Basis of preparation and presentation

These separate financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transaction that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as a net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

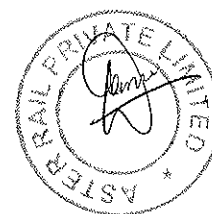
2.4 Interest in Joint Operations

A joint operation is a joint arrangement where by the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a company undertakes its activities under joint operations, the company as a joint operator recognises in relation to its interest in a joint operation:

1. its assets, including its share of any assets held jointly,
2. its liabilities, including its share of any liabilities incurred jointly,
3. its revenue from the sale of its share arising from the joint operation,
4. its share of the revenue from the sale by the joint operations, and
5. its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.



2.5 Revenue Recognition

Revenue from construction contracts is recognised by reference to the stage of completion of the contract activity. The stage of completion is determined by survey of work performed and / or on completion of a physical proportion of the contract work, as the case may be, and acknowledged by the contractee. Future expected loss, if any, is recognised as and when assessed.

2.6 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.7 Borrowing Costs:

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are included in the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.8 Employee Benefits:

2.9 Retirement benefit costs and termination benefits

Payment to defined contribution retirement benefit plans are recognised as an expenses when employees have rendered service entitling them to the contributions.

Liability for gratuity and earned leaves, both current and non current , for present and past services which are due as per the terms of the employment are recognised on accrual basis.

2.10 Taxation

Income tax expense represents sum of the tax currently payable and deferred tax

2.10.1 Current Tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

2.10.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.10.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



2.11 Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. "The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment" "Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised"

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.12 Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on Property, Plant and equipment has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following category of assets, in whose case the life of the assets has been assessed based on technical assesment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, etc.

2.13 Inventories:

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or under. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

Work in Progress:

Work-in-Progress is valued at the contracted rates less profit margin / estimates.

2.14 Provisions, Contingent Liabilities and Contingent Assets :

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

2.15 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16 Financial assets

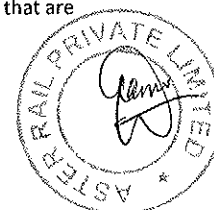
Financial asset is

1. Cash / Equity Instrument of another Entity,

2. Contractual right to --

a) receive Cash / another Financial Asset from another Entity, or

b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.



2.17 Subsequent measurement of the financial assets

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling 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. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

2.18 Financial liabilities

Financial liability is

Contractual Obligation to

- a) deliver Cash or another Financial Asset to another Entity, or
- b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity.

2.19 Subsequent measurement of the financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

2.20 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.21 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.22 Impairment of Assets:

Financial Assets: The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.



2.23 Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.24 Earnings Per Share :

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.25 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.26 Operating cycle:

The Company adopts operating cycle based on the project year and accordingly all project related assets and liabilities are classified into current and non current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.



Aster Rail Private Limited
Notes to the financial statements
Amounts in rupees in lakhs unless otherwise stated

03 Property, Plant & Equipment

	As at March 31, 2018	As at March 31, 2017
Plant and Machinery	2.23	2.91
Vehicles	0.16	1.34
Office Equipment	0.09	0.17
Total	2.48	4.42

Gross Block

	Plant and Machinery	Vehicles	Office Equipment	Total
Balance as at April 01, 2017	7.38	10.76	7.77	25.91
Additions	-	-	-	-
Disposals/Adjustments	-	-	-	-
Balance as at 31 March, 2018	7.38	10.76	7.77	25.91

Accumulated depreciation

	Plant and Machinery	Vehicles	Office Equipment	Total
Balance as at April 01, 2017	4.46	9.42	7.60	21.49
Depreciation	0.68	1.18	0.08	1.94
Disposals/Adjustments	-	-	-	-
Balance as at 31 March, 2018	5.14	10.60	7.68	23.42

Net Book Value

	Plant and Machinery	Vehicles	Office Equipment	Total
Balance as at April 01, 2017	2.91	1.34	0.17	4.42
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation	0.68	1.18	0.08	1.94
Depreciation Adjustment	-	-	-	-
Balance as at 31 March, 2018	2.23	0.16	0.09	2.48



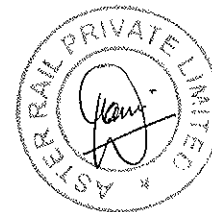
Aster Rail Private Limited
Notes to the financial statements
Amounts in rupees in lakhs unless otherwise stated

	As at March 31, 2018	As at March 31, 2017
FINANCIAL ASSETS		
04 Investments in		
Long term Trade Investments (At cost)		
Investment in Association of Persons of Aster Teleservices & McML	-	-
Considered Good	10.00	10.00
Considered doubtful	-	-
Less : Provision for diminution	10.00	10.00
Total	-	-
05 Trade Receivables		118.82
ii) Retention Money	-	118.82
Total	-	118.82
06 Other financial assets		
i) Security Deposits	20.52	23.32
ii) Retention monies	83.22	8.17
iii) With held amount with client	30.68	30.68
Total	134.42	62.17
07 Other non-current assets		
Sales Tax Deposits	2.74	14.28
Advance Taxes and Tax deducted at Source (Net of provision of Rs 908,583,(31.03.2016: Rs 908,583 and 01.04.2015: Rs.	121.10	99.89
Total	123.84	114.17
08 Deferred Tax Asset(Net)		
i) Deferred Tax Liability on timing difference due to: Depreciation	0.15	0.21
ii) Deferred Tax Asset on timing difference due to: Provision for Gratuity and Compensated Absences	5.97	5.92
Provision for Employee Bonus	1.21	1.36
MAT Credit entitlement	5.30	-
Total	12.34	7.06
09 Inventories (at lower of cost or net realisable value)		
Work in Progress	175.15	233.70
Finished Goods *	7.90	45.37
Total	183.05	279.07
* Finished Goods classified under WIP in the Previous Year has been reclassified		



Aster Rail Private Limited
Notes to the Financial Statements
Amounts in rupees in lakhs unless otherwise stated

	As at March 31, 2018	As at March 31, 2017
10 Trade Receivables		
Un secured and considered good		
Outstanding for a period exceeding six months	-	20.48
Total	-	20.48
11 Cash and Cash Equivalents		
Cash in Hand	-	-
Balances with banks		
- in current accounts	1.93	0.01
Total	1.93	0.01
12 Other Bank Balances		
In deposits Accounts		
Margin Money Deposits (Refer note no. 11.1)	0.53	3.95
Total	0.53	3.95
12.1 Margin Money Deposit have been lodged with Banks against Bank Guarantees		
13 Loans		
Loans to related parties		
Considered Good	69.01	68.68
Advances to Employees *	2.82	5.19
Total	71.83	73.87
<i>* Advances to Employees was shown under other current assets in the previous year</i>		
14 Other Current Assets		
Advances to Suppliers and Sub-Contractors	21.00	5.46
Prepaid Expenses	0.04	0.04
Balances with Government Authorities :-		
i) WCT Certificates & VAT Input	18.13	65.08
ii) GST	85.26	-
Total	124.43	70.58



Aster Rail Private Limited
Notes to the financial statements
Amounts in rupees in lakhs unless otherwise stated

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Amount	Number of Shares	Amount
15 Share Capital				
Authorised				
Equity Shares of ₹10/- each	3,500,000	350.00	3,500,000	350.00
	3,500,000	350.00	3,500,000	350.00
Issued Subscribed and Paid up				
Equity Shares of ₹10/- each	3,098,800	309.88	3,098,800	309.88
Total	3,098,800	309.88	3,098,800	309.88

15.1 Reconciliation of numbers of shares and amount outstanding at the beginning and end of the reporting Year.

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares of ₹10/- each fully paid up				
Balance at the beginning of the Year	3,098,800	309.88	3,098,800	309.88
Add: Allotted during the Year	-	-	-	-
Balance at the end of the Year	3,098,800	309.88	3,098,800	309.88

15.2 Rights, preferences and restrictions attached to equity shares

The equity shares of the Company having par value of ₹10 per share rank pari passu in all respects including voting rights and entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of Companies Act 2013, the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

15.3 Details of shares held by the holding company

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares of ₹10/- each fully paid up NCC Limited, holding company	3,098,800	309.88	3,098,800	309.88

15.4 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares held	% holding	Number of Shares held	% holding
Equity Shares of ₹10/- each fully paid up NCC Limited	3,098,800	100	3,098,800	100



Aster Rail Private Limited
Notes to the financial statements
Amounts in rupees in lakhs unless otherwise stated

	As at March 31, 2018	As at March 31, 2017
16 Other Equity		
Surplus / (Deficit) from Statement of Profit and Loss		
Opening Balance	(704.55)	(755.78)
Add: Profit/(Loss) after tax for the Year	(228.98)	51.22
Closing balance	(933.53)	(704.55)
Total	(933.53)	(704.55)
17 Provisions		
Provision for Employee benefits		
Provision for Gratuity	16.70	14.16
Provision for Earned Leaves	6.28	4.63
Total	22.98	18.79
18 Short Term Borrowings		
<i>Secured</i>		
Working Capital Loan from Banks	-	-
<i>Unsecured</i>		
Loan from Others	-	1.58
Loan from related parties	434.88	434.88
Total	434.88	436.46
19 Trade Payables		
i) Total Outstanding dues of micro enterprises and small enterprises.	-	-
ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises.	210.37	469.03
Total	210.37	469.03
20 Other financial liabilities		
Interest accrued	187.87	140.90
Total	187.87	140.90
21 Provisions		
Provision for Employee benefits		
Provision for Gratuity	-	-
Provision for Earned Leaves	-	0.35
Provision for tax (Net Tax Deducted at source Rs 3,970,646 (31.03.2016: Rs 3,970,646))	3.56	3.56
Total	3.56	3.92
22 Other current liabilities		
Advances from customers	373.56	75.41
Statutory remittances	45.28	4.77
Total	418.84	80.17



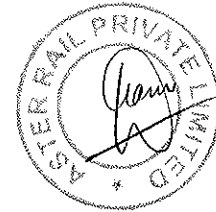
Aster Rail Private Limited
Notes to the financial statements
Amounts in rupees in lakhs unless otherwise stated

	Year Ended March 31, 2018	Year Ended March 31, 2017
23 Revenue from Operations		
Sale of Services	1,203.26	946.68
Income From Work Contract Receipts	1,203.26	946.68
Total		
24 Other Income		
Interest from Banks on Deposits	1.35	1.28
Miscellaneous Income	24.89	1.98
Total	26.24	3.26
25 Cost of Material Consumed		
Opening stock	-	-
Add: Purchases	944.77	716.21
Less: Closing stock	-	-
Cost of Material Consumed	944.77	716.21
Details of Raw Materials Bought and Consumed:		
Cement Sand and Bricks	0.97	5.92
Cables & Cable Markers	476.66	427.76
Electrical Items	145.92	86.09
Earthing Material	0.34	3.51
Hardware Items and Paints	1.53	8.30
Steel	153.14	-
Pipes	10.15	83.57
Signalling Equipment	155.92	100.67
Consumables	0.14	0.39
Total	944.77	716.21
26 Construction Expenses		
Construction and Excavation work	8.14	24.28
Drawing and Designing Expenditure	0.06	-
Material Handling Charges	41.43	31.30
Inspection Charges	15.16	6.95
Hire Charges	3.21	0.86
Rent Expenditure	2.90	-
Signalling Installation work	10.32	8.75
VAT, CST and Cess on Sales	113.78	82.75
Site Expenditure	3.14	1.51
Subcontracting Charges	5.74	-
Total	203.88	156.40
27 Changes in Inventories of Finished Goods and Work In Progress		
Opening Stock		
Work In Progress	279.07	93.81
Closing Stock		
Work in Progress	175.15	233.70
Finished Goods *	7.90	45.37
Total	96.02	(185.27)
* Finished Goods classified under WIP in the Previous Year has been reclassified		
28 Employee Benefits Expenses		
Salaries and other benefits	64.08	80.37
Contribution To Provident Fund And Other Funds	5.25	4.94
Gratuity and Leave Encashment	4.45	3.24
Staff Welfare Expenses	13.91	12.86
Total	87.69	101.41
29 Finance Cost		
Interest Costs		
Interest expense	7.37	11.32
On Borrowings from Others	52.19	52.19
Other borrowing costs	35.74	10.58
Total	95.30	74.09



Aster Rail Private Limited
Notes to the financial statements
Amounts in rupees in lakhs unless otherwise stated

	Year Ended March 31, 2018	Year Ended March 31, 2017
30 Other Expenses		
Power and Fuel	1.95	1.28
Rent,Rates and Taxes	9.75	9.98
Insurance	0.07	0.10
Electricity Charges	0.04	-
Consultancy and Professional Fee	1.57	2.83
Auditor's remuneration		
For Statutory Audit	1.34	1.35
For Tax Audit	0.08	0.34
Repairs and Maintenance	0.30	0.46
General office Expenses	0.91	1.07
Postage and Periodicals	0.36	1.20
Tour and Travel Expenses	4.59	15.13
Painting Charges	0.05	0.17
Miscellaneous Expenses	7.85	0.68
Sub total	28.86	34.58
31 Tax Expense		
Current tax	-	-
Deferred tax	0.02	(0.93)
Sub total	0.02	(0.93)



Aster Rail Private Limited
Notes to the financial statements
Amounts in rupees in lakhs unless otherwise stated

32 **Contingent liabilities and Commitments**

	As at March 31, 2018	As at March 31, 2017
- Disputed Sales tax liability for which the Company preferred appeal	2.04	59.69

33 **Related Party Transactions**

i) **List of related parties and relationships:**

Related Party's Name	Nature of relationship
NCC Limited	Holding Company
Mr. DV Ravi Kumar	Key Management Personnel
Mr.V Radha krishna	Key Management Personnel

ii) **Details of Balances with related parties:**

	For the Year ended March, 2018	For the Year ended March 31, 2017
Sales		
NCC Limited	995.38	140.77
Amounts Repayable (net) for expenditure incurred on our behalf		
NCC Limited	298.15	215.91
Amounts Recoverable (net) for expenditure incurred on behalf of:		
Interest on Borrowings		
NCC Limited	52.19	52.19
Remuneration to key management personnel	12.59	23.99
Credit Balances at the end of the Year		
NCC Limited	996.13	502.12

Earning per Share(EPS):

34

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Nominal Value of Equity Shares (RS. per share)	10.00	10.00
Profit after tax (in Rs) (A)	(228.98)	51.22
Weighted average number of Equity shares outstanding (B)	30.988	30.988
Basic EPS (Rs per share) (A/B)	(7.39)	1.65
Diluted EPS (Rs per share) (A/B)	(7.39)	1.65



35 Financial instruments

Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain / enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital and other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

	As at March 31, 2018	As at March 31, 2017
Equity	(623.65)	(394.67)
Short-term borrowings and current portion of long-term debt	434.88	436.46
Cash and cash equivalents	(2.46)	(3.96)
Net debt	432.42	432.50
Total capital (equity + net debt)	(191.23)	37.83

Categories of financial instruments

	As at March 31, 2018	As at March 31, 2017
Financial assets		
Measured at amortised cost		
Other Financial assets measured at amortised cost	330.68	325.44
Measured at cost		
Investments in equity instruments in associate	-	-
Financial liabilities		
Measured at amortised cost	833.12	1,046.39

Financial risk management objectives

The company's business activities exposed to a variety of financial risk viz., market risk, credit risk and liquidity risk. The company's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The company does not currently have significant exposure to financial instruments giving rise to market risk.

Interest rate risk

Out of total borrowings, large portion represents short term borrowings from Holding Company. The interest rate applicable is not subjected to fluctuations and interest rate risks.



Equity risks

Since the company is exposed only to non-listed equity investments, the impact of change in equity price on profit or loss is not significant.

Credit risk management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the company. The maximum exposure of the financial assets represents trade receivables, work in progress and advances receivable from group entities.

Credit risk on trade receivables, work in progress is limited as the customers of the company mainly consists of the Government promoted entities having a strong credit worthiness. For doubtful receivables the company uses a provision matrix to compute the expected credit loss allowances for trade receivables. The provision matrix takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

Trade and Other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer the demographics of the customer, including the default risk of the industry and country in which the customer operators, also has an influence on credit risk assessment.

Particulars	For the Year ended	
	March 31,2018	March 31,2017
Revenue from top customer	1170.05	882.39

One Customer accounted for more than 10% of the revenue for the year ended March 31, 2018. However none of the customers accounted for more than 10% of the receivables for the year ended march 31, 2018. One Customer accounted for more than 10% revenue for the year ended March 31, 2017. However none of the customers for more than 10% of the receivables for the year ended March 31,2017.

Liquidity risk management

The Company manages liquidity risk by maintaining banking facilities and borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

	Carrying amount	Upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	210.37	210.37	-	-	210.37
Borrowings and interest thereon	622.75	187.87	434.88	-	622.75
Total	833.12	398.24	434.88	-	833.12



Aster Rail Private Limited

Notes to the financial statements for the year ended March 31, 2018

Amounts in rupees in lakhs unless otherwise stated

36 Fair value measurements

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
		Financial assets			
Financial assets at amortised cost:					
- Cash and cash equivalents	Level 2	2.46	2.46	3.96	3.96
- Others	Level 2	330.68	330.68	325.44	325.44
Financial liabilities					
Financial liabilities at amortised cost:					
- Other financial liabilities	Level 2	833.12	833.12	1,046.39	1,046.39

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models.



Aster Rail Private Limited

Notes to the financial statements for the year ended March 31, 2018

Amounts in rupees in lakhs unless otherwise stated

37 Deferred tax assets (Net)

Significant components of deferred tax (liabilities) / assets for the year ended March 31, 2018

	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Total
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	(0.21)	(0.01)	-	(0.22)
Provision for employee benefits	7.28	(0.02)	-	7.26
	7.07	(0.03)	-	7.04

Significant components of deferred tax (liabilities) / assets for the year ended March 31, 2017

	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Total
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	(0.20)	(0.01)	-	(0.21)
Provision for employee benefits	6.33	0.94	-	7.27
	6.13	0.93	-	7.06

37.1 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

	As at March 31, 2018	As at March 31, 2017
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
-Short-term capital loss	5.14	5.14
-Unused Business and Depreciation loss	653.18	775.80
	658.32	780.93

38 Introduction of new Ind AS Standard/Amendments to Ind AS Standards

Through a Notification dated 28th March 2018, the Ministry of Corporate Affairs has indicated 1st April 2018 as the effective date for the implementation of Ind AS 115- Revenue from Contracts with Customers. The company is in the process of assessing the impact of Ind AS 115. The impact of this Standard is expected to be minimal considering the operations of the company.

For and on behalf of the Board of Directors of
Aster Rail Private Limited
(CIN : U72200TG20078TC053398)



K.Venkateswar Rao
Director
DIN: 02288213



D V Ravi Kumar
Director
DIN:02826724

Place: Hyderabad
Date: May 08, 2018

Place: Hyderabad
Date: May 08, 2018

