



G. K. Chopse & Co.
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Virtual World Spatial Technologies Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Virtual World Spatial Technologies Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

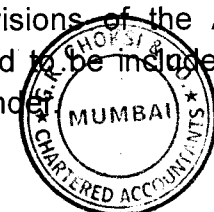
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 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 standalone 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 Rules made thereunder.



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We conducted our audit of the standalone financial statements in accordance with the standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical 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 standalone 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 control relevant to the Company's preparation of the standalone 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 standalone 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 standalone financial statements.

Opinion

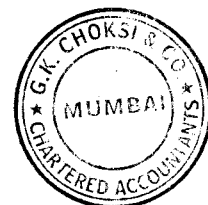
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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.

2. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.



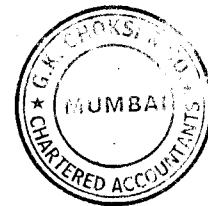
- (e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (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 litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the company.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

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SANDIP A. PARIKH
Partner
Mem. No. 40727

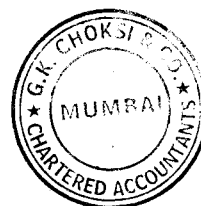
Place : Mumbai
Date : 25 MAY 2017



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management on an annual basis. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The company does not have any immovable property and thus, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The Company is a service company, primarily providing services in the area of creation / building of location based application platform for use by the consumers. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) 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 ('the Act'). Accordingly, paragraph 3(iii)(a)(b) and (c) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans or made any investments or provided any guarantee or security. Accordingly, paragraph 3(iv) of the Order is not applicable to the company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under. Accordingly, para 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Therefore the provisions of clause vi of the Order are not applicable to the company.



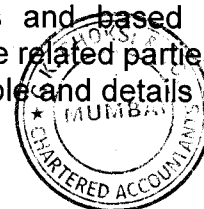
(vii) In respect of statutory dues:

(a) According to the records of the Company, undisputed statutory dues including service tax, and any other statutory dues have not been regularly deposited with appropriate authorities. According to the information and explanations given to us, the details of undisputed amounts payable in respect of the aforesaid dues which are outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable are given below:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date
Income Tax Act, 1961	Tax Deducted at Source	19,16,143/-	August 2016	7 Sept, 2016
Service Tax	Service Tax (including payable under Reverse Charge)	432,432/-	August 2016	6 Sept, 2016
Service Tax	Krishi Kalyavn Cess	6,042/-	August 2016	6 Sept, 2016
Service Tax	Swachh Bharat Cess	25,778/-	August 2016	6 Sept, 2016

(b) According to the information and explanation given to us, there are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited on account of any dispute.

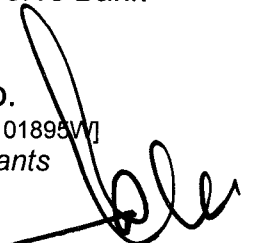
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year under consideration. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us and based on our audit, we have not come across any material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) The company, being a private limited company, paragraph 3(xi) of the Order is not applicable to the company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such



transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

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SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Mumbai
Date : 25 MAY 2017



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 Virtual World Spatial Technologies Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

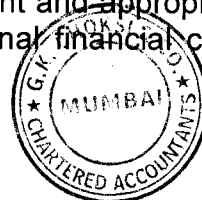
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, 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. 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 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.



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.

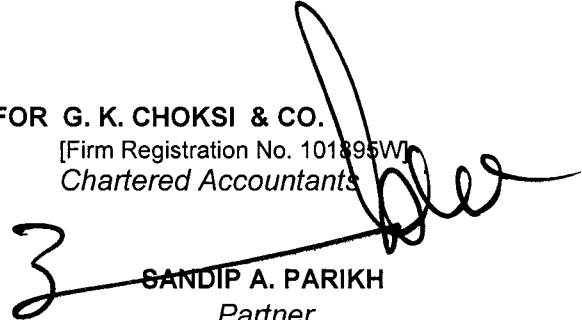
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, to the best of our information and according to the explanations given to us, 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 2017, 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 G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants


SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Mumbai
Date : 25 MAY 2017



VIRTUAL WORLD SPATIAL TECHNOLOGY PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2017

PARTICULARS	Note No.	MARCH 31, 2017	MARCH 31, 2016
		₹	₹
<u>I. EQUITY AND LIABILITIES</u>			
<u>1) SHAREHOLDERS' FUNDS</u>			
a) Share Capital	3	15,907,700	2,471,900
b) Reserves and Surplus	4	(6,475,953)	(1,151,194)
		9,431,747	1,320,706
<u>3) CURRENT LIABILITIES</u>			
a) Short-Term Borrowings	5	24,729,185	40,000
b) Trade Payables	6	11,722,215	3,229,225
c) Other Current Liabilities	7	9,877,711	5,212,246
d) Short-Term Provisions	8	-	1,215,868
		46,329,111	9,697,339
TOTAL		55,760,858	11,018,045
<u>II. ASSETS</u>			
<u>1) NON-CURRENT ASSETS</u>			
a) Fixed Assets	9		
Tangible Assets - Property, Plant and Equipment		1,724,434	366,804
Intangible Assets		72,720	-
		1,797,154	366,804
b) Deferred Tax Assets (net)	10	3,668	21,558
c) Long-Term Loans and Advances	11	923,952	1,020,240
		927,620	1,041,798
<u>2) CURRENT ASSETS</u>			
a) Trade Receivables	12	3,248,562	4,735,826
b) Cash and Bank Balances	13	601,439	1,334,329
c) Short-Term Loans and Advances	14	8,561,084	3,539,288
d) Other Current Assets	15	40,625,000	-
		53,036,084	9,609,443
TOTAL		55,760,858	11,018,045

III. Notes forming integral part of the Financial Statements 1 to 29

As per our Report of even date attached
For G.K.Choksi & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. :125442W

For and on behalf of the Board Of Directors

Sd/-
SAJID MALIK
DIRECTOR

Sd/-
SANDIP A PARIKH
PARTNER
Membership No. 40727

Sd/-
GANAPATHY VISHWANATHAN
DIRECTOR

Date: 25.05.2017
Place: MUMBAI

Date: 25.05.2017
Place: MUMBAI

VIRTUAL WORLD SPATIAL TECHNOLOGY PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

PARTICULARS	Note no.	MARCH 31, 2017		MARCH 31, 2016	
		₹	₹	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax and extraordinary items			(5,207,556)		4,047,226
Adjustments for:					
Depreciation and amortization		278,707		109,096	
Unrealised Gain		(34,645)		-	
Interest Paid		67,326		58,368	
			311,388		167,464
Operating Profit before working capital changes			(4,896,168)		4,214,690
Adjusted for:					
Trade Receivable		1,487,264		(4,735,826)	
Loans and Advances		(4,836,556)		(4,559,528)	
Other Current Assets		(40,625,000)		-	
Liabilities and Provisions		13,134,732		8,499,839	
			(30,839,560)		(795,515)
Cash Generated from Operations			(35,735,728)		3,419,175
Income Taxes (Paid) / Refund received			(1,345,742)		(4,062,500)
Net Cash Flow from Operating Activities [A]			(37,081,470)		(643,325)
B CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets		(1,709,057)		(475,900)	
Net Cash used in Investing Activities [B]			(1,709,057)		(475,900)
C CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Share Capital		13,435,800		2,471,900	
Proceeds from unsecured Borrowings / Share application		24,689,163		40,022	
Interest Paid		(67,326)		(58,368)	
Net Cash Flow from Financing Activities [C]			38,057,637		2,453,554
Net Increase in Cash & Cash Equivalents [A+B+C]			(732,890)		1,334,329
Cash & Bank Balance (Opening Balance)			1,334,329		-
Cash & Bank Balance (Closing Balance)			601,439		1,334,329
Cash & Bank balance comprise					
Cash in Hand			65,761		20,214
Balance with Banks			535,678		1,314,115
Cash & Bank Balance as at the end of the year			601,439		1,334,329

This is the Cash Flow Statement referred to in our report of even date.

As per our Report of even date attached
For G.K.Choksi & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. :125442W

For and on behalf of the Board Of Directors

Sd/-
SAJID MALIK
DIRECTOR

Sd/-
SANDIP A PARIKH
PARTNER
Membership No. 40727

Sd/-
GANAPATHY VISHWANATHAN
DIRECTOR

Date: 25.05.2017
Place: MUMBAI

Date: 25.05.2017
Place: MUMBAI

1. Company's Background

Virtual World Spatial Technologies Private Limited was incorporated on 20TH October, 2015 for providing services in the area of creation / building of location based application platform for use by the consumers. The company is a wholly owned subsidiary of M/S A.N. Virtual World Tech Limited, Cyprus.

2. Significant Accounting Policies

A) Basis of preparation of financial statements

These financial statements are prepared and presented in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis of accounting.

GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

B) Use of estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect reported balance of assets, liabilities, revenues and expense and disclosures relating to contingent liabilities as of the date of the financials. Examples of such estimates include estimate of useful life of assets, provision for doubtful debts, income taxes, unbilled revenue, etc. Actual results may differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized. Any revisions to accounting estimates are recognized prospectively in current and future periods.

C) Revenue recognition and expenses

Revenues are recognized on accrual basis. Revenue from operations is accounted for on the basis of services rendered and billed to / accepted by clients.

Expenses are accounted for on accrual basis and provisions are made for all known liabilities and losses.

D) Fixed Assets

(i) Tangible Assets

Tangible fixed Assets are stated at cost of acquisition including directly attributable costs for bringing the assets to its present location and use, less accumulated depreciation.

Advances paid, if any, towards the acquisition of fixed assets are disclosed under the head Long Term Loans and Advances, as Capital Advances.

(ii) Intangible Assets

Purchases of intangibles, if any, are capitalized at the acquisition price including directly attributable costs for bringing the asset into use, less accumulated depreciation. Direct expenditure, if any, incurred for internally developed intangibles from which future economic benefits are expected to flow over a period of time is treated as intangible asset as per the Accounting Standard on Intangible Assets (AS – 26).

(iii) Depreciation / Amortization

Depreciation is charged on fixed assets on straight line basis using useful lives of tangible assets contained in Part "C" Schedule II to the Companies Act, 2013.

Depreciation/Amortization is charged on a pro-rata basis on assets purchased /sold during the year with reference to date of installation/disposal. Assets costing individually ₹5,000/- or less are fully depreciated in the year of purchase / installation. Residual value is considered as Nil for all the assets.

E) Borrowing Costs

Borrowing costs, if any, directly attributable to the acquisition of the qualifying asset are capitalized for the period until the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

Other borrowing costs are recognized as expense in the period in which they are incurred.

F) Impairment of assets

The carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating units exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to the extent of the carrying value of the asset that would have been determined (net of depreciation/amortization) had no impairment loss been recognized.

G) Investments

Investments are classified into Current and Long-term Investments. Investments that are readily realizable and intended to be held for not more than a year as on the date of acquisition are classified as Current Investments. All other investments are classified as Long Term Investments.

Current investments are stated at lower of cost or fair value. Any reduction in the carrying amount and any reversal of such reductions are charged and credited to the Statement of Profit and Loss, as the case may be.

Long Term Investments are stated at cost. Provision is made to recognize a decline, other than temporary, in the value of such investments.

H) Leases

Finance Lease

Assets taken on finance lease, if any, are accounted for as fixed assets in accordance with Accounting Standard – 19.

Operating Lease

Assets taken on lease under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expenses on accrual basis in accordance with the respective lease agreement.

I) Foreign Currency Transactions

All transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date when the relevant transactions take place.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year. Monetary assets and liabilities in the form of Loans, Current Assets and Current Liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

The premium or discount arising at the inception of the forward exchange contracts related to underlying receivables and payables, if any, are amortized as an expense or income recognized over the period of the contracts. Gains or losses on renewal or cancellation of foreign exchange forward contracts are recognized as income or expense for the period.

Investments in overseas entity are recognized at the relevant exchange rates prevailing on the date of investments.

All transactions of the foreign branch during the year are included in the accounts at the rate of exchange prevailing at the end of the month in which the transactions took place. Net Gain / Loss in foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary assets and liabilities are translated at the rates prevailing on the balance sheet date.

J) Employee Benefits

Since the company does not have minimum number of employees during this current year, the company has not made arrangement for any defined contributions/ provisions for such expenses in the accounts, towards retirement / other benefits to its employees.

K) Taxation

Current Tax

The provision for current tax is made on the basis of tax liability computed after considering the admissible deductions and exemptions under the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) credit is recognized in the Balance Sheet where it is probable that it will be adjusted against the discharge of the tax liability in future under the Income Tax Act, 1961.

VIRTUAL WORLD SPATIAL TECHNOLOGY PRIVATE LTD
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Deferred Tax

Deferred tax asset or liability, if any, is recognized for reversible timing differences between the profit as per financial statements and the profit offered for income taxes, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets and liabilities are reviewed at each balance sheet date.

L) Earning per Share (EPS)

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

M) Cash and Cash Equivalents

Cash and Cash equivalents comprise cash and calls on deposit with banks and corporations. The Company considers all highly liquid financial statements, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalent.

N) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

O) Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end.

Contingent liabilities are not provided for and are disclosed by way of notes to accounts, where there is an obligation that may, but probably will not, require outflow of resources.

Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

VIRTUAL WORLD SPATIAL TECHNOLOGY PRIVATE LIMITED
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

3. SHARE CAPITAL

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
AUTHORIZED		
Equity Shares of face value of ₹ 10/- fully paid up 1,750,000 Equity Shares (Previous Year: 250,000 Equity Shares of face value of ₹10/- each)	17,500,000	25,00,000
ISSUED, SUBSCRIBED & FULLY PAID-UP		
Equity Shares of face value of ₹ 10/- fully paid up 1,590,770 Equity Shares fully paid up (Previous Year: 247,190 Equity Shares of face value of ₹ 10/- each) fully paid up	15,907,700	2,471,900
Total	15,907,700	2,471,900

Reconciliation of number of equity share outstanding as at the beginning and at the end of reporting period

Particulars	March 31,2017		March 31,2016	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	247,190	2,471,900	-	-
Add: Shares issued during the year	1,343,580	13,435,800	247,190	2,471,900
Shares outstanding at the end of the year	1,590,770	15,907,700	247,190	2,471,900

The Company has only one class of shares referred to as equity shares having a par value of ₹10. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

During the period of five financial years immediately preceding the Balance Sheet date, the company has not:

- (i) allotted any equity shares pursuant to any contract without payment being received in cash; and
- (ii) bought back any equity shares.

The details of shareholders holding more than 5% shares as at March 31, 2017 is set out below:

Class of Shares / Name of the Shareholder	As at			
	'March 31, 2017		'March 31, 2016	
	No. of shares	% held	No. of shares	% held
Equity shares - A N Virtual World Tech Ltd	1,590,770	100.00	247,190	100.00

Note: Above holding includes 10 shares of Sajid Malik as nominee of A N Virtual World Tech Ltd

Equity Shares held by Ultimate Holding Company/Holding Company and or their associate or Subsidiaries

Name of the Shareholder		Relationship	March 31,2017	March 31,2016
A.N. Virtual World Tech Limited		Holding Company	1,590,770	247,190

Rights, Preferences and Restrictions

The Authorised Share Capital of the Company consists of Equity Shares having nominal value of ₹ 10/- each. The rights and privileges to equity shareholders are general in nature and allowed under Companies Act, 2013.

The equity shareholders shall have:

(1) a right to vote in shareholders' meeting. On a show of hands, every member present in person shall have one vote and on a poll, the voting rights shall be in proportion to his share of the paid up capital of the Company;

(2) a right to receive dividend in proportion to the amount of capital paid up on the shares held.

The shareholders are not entitled to exercise any voting right either in person or through proxy at any meeting of the Company if calls or other sums payable have not been paid on due date.

In the event of winding up of the Company, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.

4. RESERVES & SURPLUS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	March 31, 2016
GENERAL RESERVE		
Opening Balance	22	-
Add / Less: Transfer during the year	(22)	22
	-	22
SURPLUS IN STATEMENT OF PROFIT & LOSS		
Opening Balance	(1,151,216)	-
Add: Net profit after tax transferred from Statement of Profit and Loss	(5,324,736)	(1,151,216)
	(6,475,953)	(1,151,216)
Less: Appropriations:	-	-
Closing Balance	(6,475,953)	(1,151,216)
Total	(6,475,953)	(1,151,194)

5. SHORT-TERM BORROWINGS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Unsecured		
From Related Party (Interest free repayable on demand)	24,729,185	40,000
Total	24,729,185	40,000

6. TRADE PAYABLES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Trade Payables	11,722,215	3,229,225
Total	11,722,215	3,229,225

Amount due to Micro, Small and Medium Enterprises :

(a) Trade payables includes (i) ₹ Nil (Previous year: ₹ Nil) due to micro and small enterprises registered under the Micro, Small and

(b) No interest is paid/payable during the year to any enterprise registered under the MSME.

(c) The above information has been determined to the extent such parties could be identified on the basis of the information available

7. OTHER CURRENT LIABILITIES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Other Liabilities		
Other payables*	9,877,711	5,212,246
Total	9,877,711	5,212,246

*Other payables includes :

Statutory Liabilities	7,565,219	3,580,313
Others	2,312,492	1,631,933
Total	9,877,711	5,212,246

8. SHORT TERM PROVISIONS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Provision for Income Tax (net of Advance tax)	-	1,157,500
Others	-	58,368
Total	-	1,215,868

10. DEFERRED TAX ASSETS (Net)

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Depreciation	(20,851)	(11,134)
Preliminary Expenses	24,519	32,691
Total	3,668	21,558

11. LONG TERM LOANS & ADVANCES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Unsecured, considered good		
Loans & Advances		-
Other Deposits	835,000	1,020,240
Advance Income Taxes (net of provision for taxes)	88,952	-
Total	923,952	1,020,240

Fixed Assets

Note -9

(in ₹)

Particulars	Gross Block				Depreciation / Amortization				Net Block	
	Opening Balance as at 1.04.16	Addition During the period	Sale / Adjustment/ Transfer	Closing Balance as on 31.03.17	Up to 1.04.16	For the period	On Deduction/ Transfer	Up to 31.03.17	As at 31.03.17	As at 31.03.16
<u>Tangible Assets- Property, Plant and Equipment</u>										
Computer Hardware	475,900	19,599	-	495,499	109,096	128,939	-	238,035	257,464	366,804
Air Conditioner	-	326,750	-	326,750	-	20,052	-	20,052	306,698	-
Office Equipments	-	77,490	-	77,490	-	6,049	-	6,049	71,441	-
Camera Equipment	-	663,871	-	663,871	-	109,704	-	109,704	554,167	-
Electrcal Installation	-	17,000	-	17,000	-	424	-	424	16,576	-
Furniture & Fixtures	-	530,957	-	530,957	-	12,869	-	12,869	518,088	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Computer Software	-	73,390	-	73,390	-	670	-	670	72,720	-
Total	475,900	1,709,057	-	2,184,957	109,096	278,707	-	387,803	1,797,154	366,804
Previous Year	-	475,900	-	475,900	-	109,096	-	109,096	366,804	-

12. TRADE RECEIVABLES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured		
Considered Good	3,248,562	-
Considered Doubtful		-
	3,248,562	-
Less: Provision for Doubtful Debts		-
	3,248,562	-
Other Trade Receivables		
Unsecured		
Considered Good		4,735,826
Considered Doubtful		-
	-	4,735,826
Less: Provision for Doubtful Debts	-	-
	-	4,735,826
Total	3,248,562	4,735,826

13. CASH & BANK BALANCES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
(a) Cash & Cash Equivalents		
Cash in Hand	65,761	20,214
Balances with Banks		
In Current Accounts	535,678	1,314,115
	601,439	1,334,329
Total	601,439	1,334,329

14. SHORT TERM LOANS & ADVANCES

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Unsecured, considered good		
Prepaid Expenses	19,268	-
Deposits	1,020,240	-
Other Advances		
Balances due from revenue authorities	5,249,723	2,713,578
Others	2,271,853	825,710
Total	8,561,084	3,539,288

15. OTHER CURRENT ASSETS

(in ₹)

PARTICULARS	As at	
	MARCH 31, 2017	MARCH 31, 2016
Unbilled Revenue	40,625,000	-
Total	40,625,000	-

16. REVENUE FROM OPERATIONS

(in ₹)

PARTICULARS	2016-17	2015-16
Revenue from Services	41,512,978	39,737,022
Total	41,512,978	39,737,022

17. PROJECT EXPENSES

(in ₹)

PARTICULARS	2016-17	2015-16
Consultancy Charges	4,990,887	5,350,635
Data Collection Expenses	912,558	5,387,419
Data Management Expenses	11,515,292	4,502,046
Licence Fees	45,376	2,004,040
Other Project Expenses - Pre operative	-	11,327,243
Total	17,464,113	28,571,383

18. EMPLOYEE BENEFIT EXPENSES

(in ₹)

PARTICULARS	2016-17	2015-16
Salaries, Allowances and Bonus	22,101,613	4,296,310
Staff Welfare	277,607	97,815
Total	22,379,220	4,394,125

19. FINANCE COSTS

(in ₹)

PARTICULARS	2016-17	2015-16
Bank Charges	113,528	4,467
Interest Expense	67,326	58,368
Total	180,854	62,835

20. OTHER EXPENSES

(in ₹)

PARTICULARS	2016-17	2015-16
Conveyance and Traveling	998,835	727,965
Electricity Charges	49,293	
Legal and Professional Fees	2,559,200	834,700
Miscellaneous Expenses	2,029,512	228,092
Rent	700,800	681,600
Remuneration to Auditors		
as Auditor		
- Statutory Audit	40,000	40,000
- Tax Audit	40,000	40,000
Total	6,417,640	2,552,357

VIRTUAL WORLD SPATIAL TECHNOLOGY PRIVATE LTD
 NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

21. There is no contingent liability and capital commitments as at 31.03.2017.

22. Related party transactions:

a) With whom no transactions made during the year:

Associate Enterprise –
 M/S GI Engineering Solutions Limited

Key Management Personnel
 Mr. Ganapathy Vishwanathan – Director

b) With whom transactions made during the year:

Holding Company –
 M/s A.N. Virtual World Tech Limited, Cyprus

Associate Enterprise –
 M/S Genesys Virtual World Limited
 M/S Genesys International Corporation Limited

Key Management Personnel
 Mr. Sajid Malik – Director
 Mr Sourav Sachin - CEO
 Mr Ashish Nanda

Details of Transactions with related parties are as follows:

Particulars	Holding Company	Associate Enterprises	Key Managerial Person
	₹	₹	₹
<u>Expenses</u>			
Data Collection Expenses	- (-)	- (37,10,000)	- (-)
Other Project Expenses – Preoperative		- (97,17,830)	- (-)
License Fees	45,376 (2,004,040)	- (-)	- (-)
Reimbursement of Camera Equipment purchased			330,805 (-)
Advance received	- (-)	25,678,707 (1,600,000)	26,019,243 (40,000)
Advances given / repaid	- (-)	25,561,344 (1,717,363)	70,100 (-)
Issue of Shares	13,435,800 (2,471,900)	- (-)	- (-)
Closing Balance			
Amounts payable	1,437,866 (-)	17,830 (17,830)	25,983,724 (40,000)
Amounts Receivables		- (117,363)	
Remuneration to Key Managerial Personnel			10,677,420 (-)

VIRTUAL WORLD SPATIAL TECHNOLOGY PRIVATE LTD
 NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

23. Earnings per share: Reconciliation of basic and diluted shares used in computing earnings per share:

Sr. No.	Particulars	March 31, 2017	March 31, 2016
1.	Number of Equity Shares of ₹ 10/- each	1,590,770	2,47,190
2.	Number of Equity Shares after potential dilution	1,590,770	2,47,190
3.	Weighted average number of Equity Shares outstanding during the year	1,244,752	98,211
4.	Net Profit/(Loss) after tax (₹)	(5,324,736)	(11,51,216)
5.	Basic EPS (₹)	(4.28)	(11.72)
6.	Diluted EPS (₹)	(4.28)	(11.72)
7.	Nominal Value of shares (₹)	10	10

24. Expenditure in Foreign Currency:

Particulars	FY 2016-17	FY 2015-16
	₹	₹
Licence Fees	45,376	2,004,040
Data Management Expenses	11,119,739	65,81,000
Data Management Expenses – Preliminary Expenses	-	49,413

25 Value of Imports (CIF basis):

Particulars	FY 2016-17	FY 2015-16
	₹	₹
Capital Goods	330,805	-

26 Specified Bank Note

The Ministry of Corporate Affairs (MCA) in its notification dated 30th March, 2017 amended Schedule III to the Companies Act, requiring companies to provide the following disclosure in the financial statements in respect of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016:

(in ₹)

Particulars	Specified Bank Notes	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	-	7,489	7,489
(+) Permitted receipts	-	63,000	63,000
(-) Permitted payments	-	4,728	4,728
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30th December, 2016	-	65,761	65,761

VIRTUAL WORLD SPATIAL TECHNOLOGY PRIVATE LTD
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

27 Exchange Differences

During the year, realized and unrealized exchange loss (net) amounting to ₹ 17,539/- (Previous Year: ₹ Nil) is included in the financial statements. There are no forward exchange contracts/options outstanding as on 31st March, 2017.

28 Statement of Management

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent if any stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit & Loss and Cash Flow statement read together with the schedules to the accounts and notes thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

29 Figures for previous year have been re-grouped/re-classified wherever necessary to conform to current year's presentation.

As per our Report of even date attached
For G.K. Chokshi & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. : 125442W

For and on behalf of the Board of Directors

Sd/-

SANDIP A. PARIKH
PARTNER
Membership No. 40727

Date : 25.05.2017
Place : MUMBAI

Sd/-

SAJID MALIK
DIRECTOR

Date : 25.05.2017
Place : MUMBAI

Sd/-

GANAPATHY
VISHWANATHAN
DIRECTOR