

ASPINWALL TECHNOLOGIES LIMITED
ACCOUNTS
2018-2019

JERRY SUNNY & RAJESH

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Aspinwall Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Aspinwall Technologies Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The company has not carried out any business during the year for want of orders. Hence the company does not have any turnover during the year but has interest income on the deposits held at the bank.



Independent Auditors' Report (continued)
To the Members of Aspinwall Technologies Limited

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

Board of Directors is also responsible for overseeing the Company's financial reporting process.



Independent Auditors' Report (continued)
To the Members of Aspinwall Technologies Limited

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Auditors' Report (continued)
To the Members of Aspinwall Technologies Limited

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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, to the extent applicable.

(A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 IndAS specified under section 133 of the Act with relevant Rules issued thereunder;



Independent Auditors' Report (continued)
To the Members of Aspinwall Technologies Limited

Report on Other Legal and Regulatory Requirements (continued)

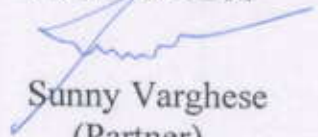
- e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (B) With respect to the other matters to be included in the Auditors' 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 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 which required to be transferred to Investor Education and Protection Fund; and
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

No directors of the company has received any remuneration from the company during the year.

For Jerry sunny and Rajesh
Chartered Accountants

FRN: 001326S


Sunny Varghese
(Partner)

M No.: 028612



Place: Kochi
Date: 25.05.2019

Aspinwall Technologies Limited

Annexure - A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2019. We report that:

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

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) There are no immovable properties owned by the Company.
2. The Company has not maintained any inventory during the year.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, 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.
4. The Company has neither given any loan nor given any guarantee, nor provided any security in connection with a loan to any other body corporate or persons. The company has not acquired by way of subscription, purchase or otherwise the securities of any other body corporate.
5. The Company has not accepted any deposits from the public during the year and hence the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company.
6. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the Company's products.
7. (a) According to the records of the company, all undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods Service Tax, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no amounts payable in respect of income tax or wealth tax or Goods Service Tax or customs duty or excise duty or cess which have not been deposited on account of any disputes.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.



9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised any money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year
11. No Managerial remuneration has been paid or provided by the company during the year.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. According to our information and knowledge, the company is not a Non Banking Financial Company hence not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Jerry sunny and Rajesh
Chartered Accountants

FRN: 001326S


Sunny Varghese
(Partner)

M No.: 028612



Place: Kochi

Date: 25.05.2019

Aspinwall Technologies Limited

Annexure –B to the Independent Auditors' Report

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding



of such internal financial controls, 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 standalone 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 with reference to financial statements.

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.

For Jerry sunny and Rajesh
Chartered Accountants
FRN: 001326S



Sunny Varghese
(Partner)
M No.: 028612



Place: Kochi
Date: 25.05.2019

Aspinwall Technologies Limited
Balance sheet as at 31 March 2019

All amounts in Indian rupees , except share data and where otherwise stated

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,030	2,059
Deferred Tax asset (net)	20	23,043	25,627
Other assets	4	282,899	279,794
Total Non-current assets		306,972	307,480
Current assets			
Financial Assets			
Cash and Cash Equivalents	5	4,566,350	6,523,530
Other assets	4	27,000	-
Total Current assets		4,593,350	6,523,530
Total Assets		4,900,322	6,831,010
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	6	1,612,800	1,612,800
Other equity		3,253,655	5,069,343
Total Equity		4,866,455	6,682,143
Current liabilities			
Financial liabilities			
Trade payables	7	-	-
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		33,867	33,867
		33,867	33,867
Other liabilities	8	-	115,000
Total Current liabilities		33,867	148,867
Total Liabilities		4,900,322	6,831,010
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **JERRY, SUNNY & RAJESH**

Chartered Accountants

Firm's registration number: 001326S



Sunny Varghese

Partner

Membership Number : 028612

Kochi

25 May 2019



for and on behalf of the Board of Directors

Aspinwall Technologies Limited

CIN: U72200KL1977PLC002937



T. R. Radhakrishnan

Director

DIN:00086627



Mohan Kurian

Director

DIN:03260152

Kochi

25 May 2019

Aspinwall Technologies Limited
Statement of profit and loss for the year ended 31 March 2019

All amounts in Indian rupees , except share data and where otherwise stated

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	9	-	750,000
Other income	10	239,425	327,627
Total income		239,425	1,077,627
Expenses			
Changes in inventories of finished goods, work-in-progress and stock -in-trade	11	-	294,500
Employee benefits expense	12	-	150,000
Finance costs	13	-	6,252
Depreciation and amortisation expense	14	1,029	1,029
Other expenses	15	63,184	71,306
Total expenses		64,213	523,087
Profit Before Tax		175,212	554,540
Tax expense:			
Current tax		44,000	142,000
Short / (Excess) provision for tax relating to prior years		-	5,493
Net Current tax expense		44,000	147,493
Deferred tax	20	2,584	2,670
Net tax expense		46,584	150,163
Profit for the year		128,628	404,377
Other comprehensive income		-	-
Total comprehensive income for the year		128,628	404,377
Earnings per equity share	16		
(Equity shares of face value Rs. 10 each)			
Basic (Rs.)		0.80	2.51
Diluted (Rs.)		0.80	2.51

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for JERRY, SUNNY & RAJESH

Chartered Accountants

Firm's registration number: 001326S


Sunny Varghese
 Partner

Membership Number : 028612



 Kochi
 25 May 2019

for and on behalf of the Board of Directors

Aspinwall Technologies Limited

CIN: U72200KL1977PLC002937


T. R. Radhakrishnan
 Director
 DIN:00086627


Mohan Kurian
 Director
 DIN:03260152

 Kochi
 25 May 2019

Aspinwall Technologies Limited**Cash flow statement for the year ended 31 March 2019**

All amounts in Indian rupees , except share data and where otherwise stated

	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Cash flows from operating activities		
Profit before taxes	175,212	554,540
Adjustments for :		
Depreciation and amortisation	1,029	1,029
Finance costs	-	6,252
Interest income	(239,425)	(327,627)
Operating cash flows before working capital changes	(63,184)	234,194
Changes in working capital		
Adjustments for (increase)/decrease in operating assets :		
Jobs in progress	-	294,500
Other assets	(27,000)	-
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	-	-
Other liabilities	(115,000)	107,250
Cash used in operating activities before taxes	(205,184)	635,944
Income taxes paid, net of refund	(47,105)	(203,656)
Net cash flow from operating activities (A)	(252,289)	432,288
B. Cash flows from investing activities		
- Interest received	239,425	527,667
- Finance costs	-	(6,252)
Net cash flow from investing activities (B)	239,425	521,415
C. Cash flows from financing activities		
Dividend paid	(1,612,800)	(1,612,800)
Tax on dividend	(331,516)	(328,328)
Net cash flow used in investing activities (C)	(1,944,316)	(1,941,128)
Net increase / (Decrease) in cash and cash equivalents	(1,957,180)	(987,425)
Cash and cash equivalents at the beginning of the year	6,523,530	7,510,955
Cash and cash equivalents at the end of the year (refer note 5)	4,566,350	6,523,530

Significant accounting policies (refer to note 2)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for JERRY, SUNNY & RAJESH

Chartered Accountants

Firm's registration number: 001326S


Sunny Varghese

Partner

Membership Number : 028612



for and on behalf of the Board of Directors

Aspinwall Technologies Limited

CIN: U72200KL1977PLC002937


T.R Radhakrishnan

Director

DIN:00086627


Mohan Kurian

Director

DIN:03260152

Kochi
25 May 2019Kochi
25 May 2019

1 Corporate Information

Aspinwall Technologies Limited is a wholly owned subsidiary of Aspinwall and Company Limited. The main activities of this company are the development and trading of business automation systems and programmes in software.

2 Basis of preparation and significant accounting policies:

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013, (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 25th May 2019.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest rupees, unless otherwise indicated.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.3 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.



2.3 Use of estimates and judgements (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

i. Judgements:

There are no significant judgements made in applying accounting policies that have the most material effects on the amounts recognised in the financial statements.

ii. Assumptions and estimation uncertainties:

a) Useful lives of Property, plant and equipment

Property, plant and equipment and intangible assets represent a proportion of the asset base of the Company. The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of Company's assets are determined by Management at the time the asset is acquired and reviewed periodically, including each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

2.4 Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for financial assets and liabilities.

The Company has an established frame work with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Director.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as interest rates, guarantee commission and pricing services are used to measure fair values, then the finance team assesses the evidence obtained from third parties to support the conclusion



Aspinwall Technologies Limited

Notes forming part of the financial statements for the year ended 31st March, 2019

that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuation should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices are included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the input used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between the levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.5 Revenue recognition

Income from sale of software

Income from sale of software is recognised when invoice is raised..

Other Income

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired).

2.6 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs if any, less accumulated depreciation and accumulated impairment losses, if any.



2.6 Property, plant and equipment (continued)

i. Recognition and measurement (continued)

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 3 on Ind AS 101).

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation is provided on the cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives prescribed in Schedule II to the Companies Act, 2013 using the Straight Line Method ('SLM').

Depreciation on additions during the year is provided for on a pro-rata basis i.e., from the date on which asset is acquired. Depreciation on disposals is provided on a pro-rata basis i.e. upto the date on which asset is disposed off.

2.7 Financial Instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

The Company measures a financial asset or financial liability at its fair value. In the case of a financial asset or financial liability measured not at fair value through



Aspinwall Technologies Limited

Notes forming part of the financial statements for the year ended 31st March, 2019

profit or loss, the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability are adjusted in the value of the financial asset or financial liability.

ii. Classification and subsequent measurement

a. Financial assets:

On initial recognition, a financial asset is classified as measured at:

- amortised cost; or
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. A financial asset is subsequently measured at FVOCI 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. These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment losses are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.



2.7 Financial Instruments (continued)

Further, in cases where the Company has made an irrevocable election 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. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

b. Financial liabilities: Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

The Company derecognises 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 derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



2.7 Financial Instruments (continued)

v. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

2.8 Employee benefits

The Company does not have employees under its payroll. Manpower services rendered by holding Company accounted as employee benefit expense.

2.9 Taxation

(a) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset or settle the liability on a net basis or simultaneously.

(b) Minimum Alternate Tax (MAT)

MAT paid in accordance with provisions of Income Tax Act, 1961 which gives rise to future economic benefits in the form of adjustment of future Income Tax liability, is being absorbed in the Statement of Profit and Loss and the credit is being recognised when it is probable that the future economic benefit associated with it will flow to the Company.

(c) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and



Aspinwall Technologies Limited
Notes forming part of the financial statements for the year ended 31st March, 2019

the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow in the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.10 Earnings per share (EPS)

Basic earnings per share ('EPS') is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti-dilutive.



2.11 Cash flow statement

Cash flows are reported using the indirect method, whereby net 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.

2.12 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity period of three months or less from the date of acquisition) that are readily convertible into known amounts of cash.

2.13 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.14 Goods and Service Tax ('GST') input credit

GST input credit is accounted for in the books in the period in which the underlying goods or service received is accounted and when there is reasonable certainty in availing / utilising the credits.

Recent Accounting Pronouncements

- i. Standards issued but not effective on Balance sheet date:

Ind AS 116, Leases

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify



Aspinwall Technologies Limited
Notes forming part of the financial statements for the year ended 31st March, 2019

leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

Lessees are required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

The Company is in the process of evaluating the impact of adoption of Ind AS 116.

ii. Other Amendments

The MCA has notified below amendments which are effective 1 April 2019:

- Appendix C to Ind AS 12, Income taxes
- Amendments to Ind AS 103, Business Combinations
- Amendments to Ind AS 109, Financial Instruments
- Amendments to Ind AS 111, Joint Arrangements
- Amendments to Ind AS 19, Employee Benefits
- Amendments to Ind AS 23, Borrowing Costs
- Amendments to Ind AS 28, Investments to Associates and Joint Ventures

Based on Preliminary work, the Company does not expect these amendments to have any significant impact on its Financial statements.



Aspinwall Technologies Limited
Statement of changes in equity
All amounts in Indian rupees , except share data and where otherwise stated

For the year ended 31 March 2019

Particulars	Equity share capital	Reserves and surplus		Total	Total equity attributable to equity shareholders of the Company
		Retained earnings	General Reserve		
Balance at 1 April 2018	1,612,800	5,066,343	3,000	5,069,343	6,682,143
Profit for the year		128,628		128,628	128,628
Other comprehensive income for the year (net of tax)					
Total comprehensive income for the year		128,628	-	128,628	128,628
Less: Appropriations		1,612,800		1,612,800	1,612,800
Dividend Paid		331,516		331,516	331,516
Tax on Dividend					
Balance at 31 March 2019	1,612,800	3,250,655	3,000	3,253,655	4,866,455

For the year ended 31 March 2018

Particulars	Equity share capital	Reserves and surplus		Total	Total equity attributable to equity shareholders of the Company
		Retained earnings	General Reserve		
Balance at 1 April 2017	1,612,800	6,603,094	3,000	6,606,094	8,218,894
Profit for the year		404,377		404,377	404,377
Other comprehensive income for the year (net of tax)					
Total comprehensive income for the year		404,377	-	404,377	404,377
Less: Appropriations		1,612,800		1,612,800	1,612,800
Dividend Paid		328,328		328,328	328,328
Tax on Dividend					
Balance at 31 March 2018	1,612,800	5,066,343	3,000	5,069,343	6,682,143

As per our report of even date attached

for JERRY, SUNNY & RAJESH

Chartered Accountants

Firm's registration number: 001326S

Sunny Varghese

Partner

Membership Number : 028612

Kochi
25 May 2019

for and on behalf of the Board of Directors

Aspinwall Technologies Limited

CIN: U72200KL1977PLC002937

T.R Radhakrishnan

Director

DIN:00086627

Mohan Kurian

Director

DIN:03260152



Aspinwall Technologies Limited**Notes to the financial statements for the year ended 31 March 2019 (continued)**

All amounts in Indian rupees , except share data and where otherwise stated

3 Property, plant and equipment

Reconciliation of carrying amount	Plant and Equipment	Furniture and Fixtures	Total
Cost or deemed cost			
Balance at 1 April 2017	4,115	2	4,117
Additions	-	-	-
Deletions	-	-	-
Balance at 31 March 2018	4,115	2	4,117
Balance at 1 April 2018	4,115	2	4,117
Additions	-	-	-
Deletions	-	-	-
Balance at 31 March 2019	4,115	2	4,117
Accumulated depreciation			
Balance at 1 April 2017	1,029	-	1,029
Depreciation for the year	1,029	-	1,029
Deletions	-	-	-
Balance at 31 March 2018	2,058	-	2,058
Balance at 1 April 2018	2,058	-	2,058
Depreciation for the year	1,029	-	1,029
Deletions	-	-	-
Balance at 31 March 2019	3,087	-	3,087
Carrying amount (net)			
At 31 March 2018	2,057	2	2,059
At 31 March 2019	1,028	2	1,030



Aspinwall Technologies Limited
Notes to the financial statements for the year ended 31 March 2019 (continued)

All amounts in Indian rupees , except share data and where otherwise stated

	As at 31 March 2019	As at 31 March 2018
4 Other assets		
Current		
GST Credit Receivable	27,000	-
	<u>27,000</u>	<u>-</u>
Non-current		
MAT Credit Entitlement	205,345	214,607
Advance Income Tax (Net of Provision Rs.5,03,722/-; 31 March 2018 Rs. 4,68,984/-)	77,415	65,048
Advance FBT (Net of Provision Rs. 834/-; 31 March 2018 Rs. 834/-)	139	139
	<u>282,899</u>	<u>279,794</u>
5 Cash and cash equivalents		
Balances with banks		
(i) In current accounts	1,422,600	2,048,673
(ii) In deposit accounts	3,143,750	4,474,857
Total cash and cash equivalents	<u>4,566,350</u>	<u>6,523,530</u>



	As at 31 March 2019	As at 31 March 2018
6 Share capital		
Authorised capital		
100,000 9.5% Cumulative Redeemable Preference Shares of Rs.10/- (Rs.10/-) each	1,000,000	1,000,000
1,448,480 Equity Shares of Rs.10 each	14,484,800	14,484,800
	15,484,800	15,484,800
Issued, subscribed and paid-up capital		
161,280 Equity Shares of Rs.10 each fully paid up	1,612,800	1,612,800
	1,612,800	1,612,800

- a. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

i) Equity shares:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning of the year	161,280	1,612,800	161,280	1,612,800
Number of shares issued during the year	-	-	-	-
Number of shares at the end of the year	161,280	1,612,800	161,280.00	1,612,800

- b. Rights, preferences and restrictions attached to shares

i) Equity shares:

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of the Equity Shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

- c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

i) Equity shares:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	% holding	No. of shares	% holding
<i>Equity shares</i>				
M/s. Aspinwall and Company Limited	161,280	100%	161,280	100%
	161,280	100%	161,280	100%

All the above 161280 (161280) Equity Shares are held by the Holding Company, M/s Aspinwall and Company Limited and its nominees.

	As at 31 March 2019	As at 31 March 2018
7 Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 19)		
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	33,867	33,867
	33,867	33,867
8 Other liabilities		
Current		
Withholding taxes and statutory dues	-	115,000
	-	115,000



Aspinwall Technologies Limited
Notes to the financial statements for the year ended 31 March 2019 (continued)

All amounts in Indian rupees , except share data and where otherwise stated

	For the year ended 31 March 2019	For the year ended 31 March 2018
9 Revenue from operations		
Sale of products comprises :		
Software Sales		750,000
		<u>750,000</u>
10 Other income		
Interest income from deposits with banks		
Interest Income	239,425	327,627
	<u>239,425</u>	<u>327,627</u>
11 Changes in inventories of finished goods and stock in-trade		
Jobs in Progress at the end of the year		-
Jobs in Progress at the beginning of the year		294,500
Net (increase) / decrease in inventories of finished goods and stock-in-trade		<u>294,500</u>
12 Employee benefits expense		
Salaries, Wages and Bonus	-	150,000
		<u>150,000</u>
The entire expenditure shown under the head " Salaries, Wages and Bonus are payments towards the manpower supplied by the Holding Company		
13 Finance costs		
Interest expense on :		
Income tax dues	-	6,252
		<u>6,252</u>
14 Depreciation and amortisation expense		
Depreciation	1,029	1,029
	<u>1,029</u>	<u>1,029</u>
15 Other expenses		
Rates and taxes	3,400	13,263
Charges for Services	1,606	856
Printing and stationery	5,250	6,510
Miscellaneous expenses	12,928	10,677
Payments to auditors (Refer Note 19.1 below)	40,000	40,000
	<u>63,184</u>	<u>71,306</u>
Note 15.1- Payments to Auditors comprises		
(excluding applicable taxes)		
To Statutory Auditors		
For Statutory Audit	35,000	35,000
For Other Services	2,500	2,500
Reimbursement of expenses	2,500	2,500
	<u>40,000</u>	<u>40,000</u>



Additional information to the standalone financial statements

16 Earnings per share

The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Net profit for the year attributable to the equity shareholders (Rs)	128,628	404,377
Weighted average number of equity shares (Nos.)	161,280	161,280
Par value per share (Rs)	10.00	10.00
Earning per share - Basic/Diluted	0.80	2.51

17 Related parties

A. Related Party relationships

Names of related parties and description of relationship with the Company:

- (a) Holding Company
(b) Fellow Subsidiaries

Aspinwall and Company Limited

- a) Malabar Coast Marine Services Private Limited
b) Aspinwall Geotech Limited
c) SFS Pharma Logistics Private Limited

Note: Related parties have been identified by the Management and relied upon by the auditors



18 Related parties (continued)

B. Related party transactions

Transaction	Related Party	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Software Sale	Aspinwall and Company Limited	-	750,000
Services received	Aspinwall and Company Limited	-	150,000
Payments met by Holding Company on behalf of the Company	Aspinwall and Company Limited	503,779	500,105
Reimbursement of Expenses / Repayment of Temporary Advances Received	Aspinwall and Company Limited	503,779	650,105
Dividend Paid	Aspinwall and Company Limited	1,612,800	1,612,800
Payments received from Holding Company	Aspinwall and Company Limited	-	750,000

19 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	As at 31 March 2019	As at 31 March 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



20 Tax assets, liabilities and reconciliations**A. Deferred tax (asset)/ liabilities****(a) Movement in deferred tax balances for the year ended 31 March 2019**

	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	As at 31 March 2019		
				Net	Deferred tax asset	Deferred tax liability
Deferred tax (asset)/ liabilities						
Property, plant and equipment	(25,627)	2,584	-	(23,043)	23,043	-
Net deferred tax	(25,627)	2,584	-	(23,043)	23,043	-

(b) Movement in deferred tax balances for the year ended 31 March 2018

	Net balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	As at 31 March 2018		
				Net	Deferred tax asset	Deferred tax liability
Deferred tax (asset)/ liabilities						
Property, plant and equipment	(28,297)	2,670	-	(25,627)	25,627	-
Net deferred tax	(28,297)	2,670	-	(25,627)	25,627	-

(c) Notes:

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

B. Other tax assets

Particulars	As at 31 March 2019	As at 31 March 2018
Non current		
Minimum Alternative Tax	205,345	214,607
Advance tax, net of provision for tax	77,554	65,187
	<u>282,899</u>	<u>279,794</u>

C. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before tax	175,212	554,540
Company's domestic tax rate	26%	26%
Tax using Company's domestic tax rate	45,555	144,180
Impact of:		
Set off / deferred tax due to tax losses	2,584	2,670
Adjustments for current tax of prior periods	-	5,493
Tax losses for which no deferred income tax was recognized	-	1,893
Other items	(1,555)	(4,073)
Income tax expense	<u>46,584</u>	<u>150,163</u>
Effective tax rate	<u>26.59%</u>	<u>27.08%</u>

21 Employee Benefits

The Company does not have employees under its payroll. Disclosures regarding employee benefits are not applicable to the Company.



21 Financial instruments**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of 31 March 2019 were as follows,

	Carrying Value			Fair Value			
	Amortised cost	Financial assets / liabilities at FVTPL (Mandatorily)	Total carrying value	Level 1	Level 2	Level 3	Total
Assets							
Cash and Cash Equivalents	4,566,350	-	4,566,350	-	-	-	-
	4,566,350	-	4,566,350	-	-	-	-
Liabilities							
Trade payables	33,867	-	33,867	-	-	-	-
	33,867	-	33,867	-	-	-	-

The carrying value and fair value of financial instruments by categories as of 31 March 2018 were as follows,

	Carrying Value			Fair Value			
	Amortised cost	Financial assets / liabilities at FVTPL (Mandatorily)	Total carrying value	Level 1	Level 2	Level 3	Total
Assets							
Cash and Cash Equivalents	6,523,530	-	6,523,530	-	-	-	-
	6,523,530	-	6,523,530	-	-	-	-
Liabilities							
Trade payables	33,867	-	33,867	-	-	-	-
	33,867	-	33,867	-	-	-	-



21 Financial instruments (continued)**Capital management**

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future developments of the business. The Company is focused on maintaining a strong equity base to ensure independence, security as well as financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company.

The Company's debt to equity ratio at the reporting date are as follows:

	As at 31 March 2019	As at 31 March 2018
Total liabilities	33,867	148,867
Less: Cash and cash equivalents	4,566,350	6,523,530
Net debt	(4,532,483)	(6,374,663)
Total equity	4,866,455	6,682,143
Debt to equity ratio	-	-

There are no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk;
- (ii) Liquidity risk; and
- (iii) Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in liquid mutual funds

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers based on which the Company agrees on the credit terms with customers in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2019 was Rs. Nil (March 31, 2018 - Rs. Nil).

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.



21 Financial instruments (continued)

Financial risk management (continued)

(ii) Liquidity risk (continued)

The Company's objective is to maintain a balance between continuity of funding and flexibility through ensuring adequate internally generated funds.

Exposure to liquidity risk

The contractual undiscounted cash flows associated with financial liabilities at reporting dates are as follows:

31 March 2019	Carrying amount	Contractual cash flows					More than 5 years
		Total	2 months or less	2-12 months	1-2 years	2-5 years	
Financial liabilities							
Trade payables	33,867	33,867	33,867				
Other financial liabilities		-					

31 March 2018	Carrying amount	Contractual cash flows					More than 5 years
		Total	2 months or less	2-12 months	1-2 years	2-5 years	
Financial liabilities							
Trade payables	33,867	33,867	33,867				

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities.



21 Financial instruments (continued)

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company does not have any transactions in foreign currency and thus not exposed to foreign exchange rate risk. As of now, the Company have not entered into any sort of derivative contracts, in order to manage market risks.

Foreign currency risk

The Company is not exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the Company. The functional currency of company is INR.

22 Dividends

The Board of Directors has proposed a dividend of Rs. 5/-per equity share (previous year Rs.10/-per equity share) for the year ended 31 March 2019, subject to the approval of the shareholders at the ensuing Annual General Meeting. The proposed dividend including dividend distribution tax of Rs.9,72,158/- (previous year Rs.19,44,316/-) is not recognised as liability as on 31 March 2019.

for JERRY, SUNNY & RAJESH

Chartered Accountants

Firm's registration number: 001326S



Sunny Varghese

Partner

Membership Number : 028612

Kochi

25 May 2019



for and on behalf of the Board of Directors

Aspinwall Technologies Limited

CIN: U72200KL1977PLC002937



T.R. Radhakrishnan

Director

DIN:00086627

Kochi

25 May 2019



Mohan Kurian

Director

DIN:03260152