Independent Auditor's Report

To the members of Leading Edge Infotech Limited

Report on the standalone Indian Accounting Standard ("Ind AS") Financial Statements for the year ended 31st March, 2017

We have audited the accompanying Standalone Ind AS financial statements **of Leading Edge Infotech Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as " Standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

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 Standalone Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Standalone Ind AS 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 Standalone Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of matter

We draw attention to

1. Note No.3 to the Standalone Ind AS financial statements regarding physical verification of fixed assets.
2. Note No.31 to the Standalone Ind AS financial statements regarding preparation of accounts on going concern basis.

(As fully described in the above referred Note)

Our opinion is not qualified in the above matter.

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 in terms of Section 143(11) of the Act, we give in "**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 purpose of our audit;
   b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c. the Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income) and Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d. in our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

e. on the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of sub section (2) of section 164 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, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations, on its financial position in its financial statements-Refer Note No.28 to the Standalone Ind AS financial statements;

ii) As represented by the company, there are no long-term contracts including derivative contracts having material foreseeable losses- Refer Note No. 39 to the Standalone Ind AS financial statements;

iii) There are no amounts required to be transferred to Investor Education and Protection Fund by the Company. Refer Note No.40 to the Standalone Ind AS financial statements; and

iv) The Company has provided requisite disclosures in its Standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 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 and as produced to us by the Management– Refer Note No. 41 to the Standalone Ind AS financial statements.

For **FORD RHODES PARKS & CO.LLP**
Chartered Accountants
ICAI FRNo. 102860W/W100089

B.S.S. Shetty
Partner
Membership No.6031F

Place: Mumbai
Date: 16th May 2017

Annexure A to the Independent Auditors' Report

[Referred to in paragraph pertaining to "Report on Other Legal and Regulatory Requirement" of our Report of even date to the members of Leading Edge Infotech Limited on the Standalone Ind AS financial statements for the year ended 31st March, 2017]

i. a**)** The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b) Fixed assets have not been physically verified by the management during the year.

c) The company does not have any immovable property. Hence the provisions of the clause 3 (i) (c) of the order is not applicable to the company.

ii. The company does not hold any inventories during the financial year. Thus, in our opinion, the provision of sub clause (a), (b) and (c) of clause 3 (ii) of the order are not applicable.

iii. The Company had granted unsecured loans, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 .The loan has been repaid during the year. As represented by the company, this loan was Interest free and there were no stipulations as to repayment. In our opinion and according to the information and explanation given to us, the terms and conditions of the loans given by company are prima facie not prejudicial to the interest of the company.

iv. In our opinion and according to information and explanation given to us, the company has complied with the provision of Section 186 of the Act with respect to its Investments.The company has not given securities and guarantees. The company had granted Loans and advances u/s. 185 and 186 of the Act which as per the information and explanations given by the company to us are interest free and given to promote the interest of the company.

v. The company has not accepted deposits from public, within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act 2013.

vi. The Central Government has not prescribed maintenance of cost records under section (1) of section 148 of the act in respect of any of company's products or activities, as such clause vi of the order is not applicable to the company.

vii.

a) According to the information and explanation given to us and records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, employee state insurance, income tax, sales tax, value added tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues payable for a period of more than six month from the date they become payable as at 31st March 2017.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth tax, service tax, customs duty and cess as at 31st March 2017, which has not been deposited on account of dispute. except the Income tax dues which are disputed /pending rectification and not paid are as under:

Period to which the amount relates	Amount (Rs. In Lakhs)	Forum where the dispute is pending
Various Year-TDS demand as per TRACES	4.54	Company is in process of filing rectification

viii. The Company has not raised any fund by way of debentures or through bank, financial institution or Government. Hence Clause viii of the Order is not applicable.

ix. The Company has not raised and fund by way of any Initial Public Offer or further public offer or term loan. Hence provision of the clause 3 (ix) of the Order are not applicable to the Company.

x. Based upon the audit procedures performed and information and explanations given by the management, we report that we have not come across any instances of fraud by the company or any material fraud on the company by its officers or employees that have been noticed or reported during the year nor have we been informed of such case by management.

xi. The company has not paid / provided any remuneration to Key Managerial personnel. Hence provision of the clause 3 (xi) of the Order are not applicable to the Company.

xii. The Company is not a Chit Fund Company/or nidhi/ mutual benefit fund/society. As such Clause xii of the order is not applicable to the Company.

xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS financial statements etc., as required by the applicable Accounting Standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. As such Clause xiv of the order is not applicable to the Company. However during the year the company has issued shares on exercise of ESOP by Director /Employee of Company and its subsidiaries.

xv. The company has not entered into non-cash transactions covered by Section 192 of Companies Act, 2013 with directors or persons connected with them.

xvi. The company is not engaged in the business of non-banking financial institution (NBFI) and not required to obtain a Certificate of Registration (CoR) from Reserve Bank of India in terms of Section 45-IA of the RBI Act, 1934.

For **FORD RHODES PARKS & CO.LLP**
Chartered Accountants
ICAI FRNo.102860W/W100089

B.S.S. Shetty
Partner
Membership No.6031F

Place: Mumbai
Date: 16th May 2017

ANNEXURE B

[Referred to in paragraph pertaining to "Report on Other Legal and Regulatory Requirement" of our Report of even date to the members of Leading Edge Infotech Limited on the Standalone Ind AS financial statements for the year ended 31st March, 2017]

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 **Leading Edge Infotech Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, 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 explanation 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 March 31, 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 **FORD RHODES PARKS & CO.LLP**
Chartered Accountants
ICAI FRNo.102860W/W100089

B.S.S. Shetty
Partner
Membership No.6031F

Place: Mumbai
Date: 16th May 2017

Leading Edge Infotech Limited
Balance sheet as at 31 March 2017
(Amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note No.	31 March 2017	31 March 2016	1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	0.09	0.11	0.13
Financial assets				
Investments	4	0.50	0.50	0.50
Others	5	3.24	0.24	0.18
Non Current tax assets (net)	25	14.71	18.22	16.37
Other non-current assets	6	2.06	0.08	0.05
Total non-current assets		**20.60**	**19.14**	**17.22**
Current assets				
Financial assets				
Trade receivables	7	6.33	-	-
Cash and cash equivalents	8	5.57	4.61	3.62
Loans	9	-	1.36	0.53
Other current assets	10	3.15	0.40	0.19
Total current assets		**15.05**	**6.37**	**4.34**
Total assets		**35.65**	**25.51**	**21.57**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	50.00	50.00	50.00
Other equity	12	(320.91)	(287.12)	(256.59)
Equity attributable to equity holders of the parent		**(270.91)**	**(237.12)**	**(206.59)**
Non-controlling interests				
Total equity		**(270.91)**	**(237.12)**	**(206.59)**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	13	285.16	244.84	213.36
Provisions	14	3.19	4.66	2.72
Total non-current liabilities		**288.35**	**249.51**	**216.08**
Current liabilities				
Financial liabilities				
Trade payables	15	4.79	3.97	1.18
Other financial liabilities	16	1.97	0.32	1.25
Other current liabilities	17	2.14	0.50	3.02
Provisions	18	9.30	8.34	6.63
Total current liabilities		**18.21**	**13.13**	**12.08**
Total liabilities		**306.56**	**262.64**	**228.15**
TOTAL EQUITY AND LIABILITIES		**35.65**	**25.51**	**21.57**
General information & significant accounting policies	1-2			
Notes to accounts	3-42			

The accompanying notes are an integral part of these financial statements
As per our attached report of even date.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
Firm Registration Number: 102860W/W100089

For and on behalf of the Board of Directors

B. S. S. Shetty
Partner
Membership No. : 6031F

R. Ganapathi
Director

Parthasarathy Iyengar
Director

Mumbai, Dated : May 16, 2017

Mumbai, Dated : May 16, 2017

Leading Edge Infotech Limited
Statement of profit and loss for the period ended 31 March 2017
(Amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note No.	31 March 2017	31 March 2016
Revenue from operations	19	11.26	18.16
Other income	20	0.59	1.39
Total income		**11.85**	**19.55**
Expenses			
Employee benefits expense	21	37.53	44.65
Finance costs	22	0.53	0.45
Depreciation and amortization expense	3	0.02	0.02
Other expenses	23	7.02	4.42
Total expense		**45.10**	**49.54**
Profit/(loss)before exceptional items and tax		**(33.25)**	**(29.99)**
Exceptional items			-
Profit / (loss) before tax		**(33.25)**	**(29.99)**
Tax expenses			
Current tax		-	-
Profit (loss) for the period		**(33.25)**	**(29.99)**
Other comprehensive income	24		
Items that will not be reclassified to profit or loss		0.53	0.55
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)		**(33.79)**	**(30.53)**
Earnings per equity share			
(1) Basic		(6.65)	(6.00)
(2) Diluted		(6.65)	(6.00)
Earnings per equity share (for discontinued and continuing operations)			
(1) Basic		(6.65)	(6.00)
(2) Diluted		(6.65)	(6.00)
General information & significant accounting policies	1-2		
Notes to accounts	3-42		

The accompanying notes are an integral part of these financial statements

As per our attached report of even date.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
Firm Registration Number: 102860W/W100089

B. S. S. Shetty
Partner
Membership No. : 6031F

Mumbai, Dated : May 16, 2017

For and on behalf of the Board of Directors

R. Ganapathi
Director

Parthasarathy Iyengar
Director

Mumbai, Dated : May 16, 2017

Leading Edge Infotech Limited
Statement of cash flows for the year ended 31 March 2017
(Amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31 March 2017 Ind AS	31 March 2016 Ind AS
Cash flow from operating activities		
Net profit before tax	(33.25)	(29.99)
Adjustments to reconcile profit for the year to net cash generated from operating activities:		
Depreciation and amortisation	0.02	0.02
Finance cost	0.53	0.45
Interest income from deposits with banks and others	(0.53)	(0.18)
Dividend income	(0.06)	(0.06)
Actuarial gains and losses routed through other comprehensive income	(0.53)	(0.55)
Operating profit before working capital changes	(33.82)	(30.31)
Changes in working capital		
(Increase) /decrease in trade receivables	(6.33)	-
(Increase)/decrease in Loan and other financial assets, and other assets	(4.23)	(2.15)
Increase/(decrease) in trade payables	0.82	2.79
Increase/(decrease) in finacial liabilites, Other liabilites and provision	2.78	0.21
Cash generated from operations	(40.77)	(29.45)
Direct taxes paid (including taxes deducted at source), net of refunds		
NET CASH FROM OPERATING ACTIVITIES	(40.77)	(29.45)
Cash flow from investing activities		
Interest income	0.53	0.18
Dividend received on investments	0.06	0.06
NET CASH FROM / (USED) IN INVESTING ACTIVITIES	0.59	0.24
Cash flow from financing activities		
Borrowings/Repayment	41.68	30.65
Finance cost	(0.53)	(0.45)
NET CASH FROM / (USED) IN FINANCING ACTIVITIES	41.15	30.20
Net increase/(decrease) in cash and cash equivalents (A+B+C)	0.97	0.98
Cash and cash equivalents at the beginning of the year (Refer Note 8)	4.61	3.62
Add: effect of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at the end of the year (Refer Note 8)	5.57	4.61

Notes:
The statement of cash flows has been prepared under the 'Indirect method' as set out in Ind AS 7 "Statement of cash flows"
The figures for the previous year have been regrouped where necessary to confirm to current year's classification.

The accompanying notes are an integral part of these financial statements

As per our attached report of even date.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
Firm Registration Number: 102860W/W100089

For and on behalf of the Board of Directors

B. S. S. Shetty
Partner
Membership No. : 6031F

R. Ganapathi
Director

Parthasarathy Iyengar
Director

Mumbai, Dated : May 16, 2017

Mumbai, Dated : May 16, 2017

Leading Edge Infotech Limited
Statement of Changes in Equity
(Amounts in Indian Rupees Lakhs unless otherwise stated)

A. Equity Share Capital

Balance as on 1 April 2015	Changes in equity share capital during the year	Balance as on 31 March 2016
50.00	-	50.00

Balance as on 1 April 2016	Changes in equity share capital during the year	Balance as on 31 March 2017
50.00	-	50.00

B. Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Total
			Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period as on 1 April 2015 as per Indian GAAP	-	-	-	-	(256.59)	(256.59)
Profit/Loss for the year					(29.99)	(29.99)
Other Comprehensive Income					(0.55)	(0.55)
Balance as on 31 March 2016	-	-	-	-	(287.12)	(287.12)
Balance as on 1 April 2016	-	-	-	-	(287.12)	(287.12)
Profit/Loss for the year					(33.25)	(33.25)
Other Comprehensive Income					(0.53)	(0.53)
Balance as on 31 March 2017	-	-	-	-	(320.91)	(320.91)

As per our attached report of even date.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
Firm Registration Number: 102860W/W100089

B. S. S. Shetty
Partner
Membership No. : 6031F
Mumbai, Dated : May 16, 2017

For and on behalf of the Board of Directors

R. Ganapathi
Director

Parthasarathy Iyengar
Director

Mumbai, Dated : May 16, 2017

(Amounts in Indian Rupees Lakhs unless otherwise stated)

1. The Corporate Overview

Leading Edge Infotech Limited ('LEIL' or 'the Company') was incorporated on 16 July 1996. The Company is a wholly owned subsidiary of Trigyn Technologies Limited ('TTL') a public company domiciled in India and incorporated under the provisions of Indian Companies Act. The company is engaged primarily in providing software maintenance services for the financial services market in India.

2. Significant Accounting Policies

The following are the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

i. Compliance with Ind AS

The financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act.

The financial statements up to the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act ("Previous GAAP").

These are the company's first financial statements prepared in accordance with Ind AS. The Transition to Ind AS was carried out in accordance with 'Ind AS 101 - First-time Adoption of Indian Accounting Standards' as at the date of transition to Ind AS i.e. 1st April 2015. The transition has been carried out from Indian GAAP which is considered as the Previous GAAP, as defined in Ind AS 101. Refer Note No. 26 to the Standalone Ind AS financial Statements for description of the effect of the transition and reconciliation required as per Ind AS 101.

These financial statements are authorised for issue by the Board of Directors on 16th May, 2017.

ii. Basis of measurement

The financial statements have been prepared on going concern basis using historical cost conventions, except for the following items, which are measured on an alternative basis on each reporting date:

Items	Measurement basis
Derivative financial instruments at fair value through profit or loss	Fair value
Certain non-derivative financial instruments at fair value through profit or loss	Fair value
Equity-settled share based payment transactions	Grant date fair value
Defined benefit plan assets	Fair value

2.2 Functional and presentation currency

All amounts included in the financial statements are reported in Indian rupees in lakhs and has been rounded to nearest lakhs with two decimal places except per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Actual amount may differ from these estimates.

Detailed information about each of these estimates and judgements is included in relevant notes.

The areas involving critical estimates and judgements are:

- Estimation of current tax expense and payable including amount expected to be paid/ recovered for uncertain tax position.
- Estimation of defined benefit obligation.
- Recognition of revenue.
- Recognition of deferred tax assets for carried forward tax losses.
- Impairment of trade receivables.
- Valuation of Financial Instrument.
- Useful life of property plant and equipment and Intangible assets Provision and Contingencies.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

2.4 Current versus Non-Current Classification

The company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset /liability is current when it is:

- Expected to be realised/settled or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised / settled within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/ liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5 Property Plant & Equipment

- **Recognition and Measurement**

Items of PP&E are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. Borrowing costs relating to acquisition/construction/development of tangible assets and Capital Work in Progress which takes substantial period to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

When significant components of PP&E are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation if these components are initially recognized as separate asset. All other repair and maintenance costs are recognised in profit or loss as incurred.

- **Transition to Ind AS:**

On transition to Ind AS, the Company has elected to continue with the carrying value for all of its PP&E as recognised in its Indian GAAP financials as deemed cost at the date of transition to Ind AS i.e 1st April 2015.

- **Subsequent costs**

The cost of replacing a part of an item of PP&E is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of PP&E are recognised in the statement of profit and loss as incurred.

- **Disposal**

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount. These are recognised as income/ expenses in the statement of profit and loss.

- **Depreciation:**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of PP&E as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation.

Depreciation is provided pro-rata for the number of months available for use. Depreciation on sale/ disposal of assets is provided pro-rata up to the end of month of sale/ disposal.

The PP&E acquired under hire purchase is depreciated over the shorter of the hire purchase term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the hire purchase term in which case assets are depreciated on the basis of estimated useful life.

The estimated useful lives of items of PP&E as under:

Asset	Useful life
Office equipment's	3 to 4 years
Computer and peripherals	3 years

2.6 Intangible Assets

- **Recognition and measurement**

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.
Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises of the acquisition price, development cost and any other attributable/allocable incidental cost of bringing the asset to its working condition for its intended use.

- **Subsequent measurement**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

i) Intangible assets with finite lives are amortized over their estimated useful economic life and assessed for impairment wherever there is an indication that the intangible assets may be impaired.
ii) Intangible assets with infinite lives are tested for impairment at least annually, and where there is an indication that the assets may be impaired.
iii) Application software capitalised as Intangible Asset is normally amortized over a period of three years or over its useful life before it become obsolete, whichever is earlier.

The estimated useful lives as under:

Asset	**Useful life**
Software	3 years

10

- **Disposal:**

Gain or losses arising from derecognition of an intangible assets are recognized in statement of Profit and Loss when the assets is derecognized.

2.7 Impairment of Non-Financial Assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of profit and loss.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized

2.8 Cash and Cash Equivalents

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

2.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- **Rendering of Services**

Income from Communications and information technology staffing support services comprise income from time and material and fixed price contracts. Revenue from 'time and material' contracts is recognised, as and when related services are performed and accepted by the customer. Revenue from fixed price contracts is recognised using the percentage of completion method of accounting, under which the sales value of performance, including the profit thereon, is determined by relating the actual man hours of work performed to date to the estimated total man hours for each contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable, based on current contract estimates.

Unbilled receivables represent costs incurred and revenues recognised on contracts, to be billed in subsequent periods as per the terms of the contract.

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

2.10 Interest and Other Income

Interest and other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Dividend Income
Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established.

2.11 Foreign Currency Translations and balances:

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.
Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting date are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

2.12 Employee Benefits

- **Short-term employee benefits**

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service. Retention bonus is accounted on actual payment basis.

- **Post-employment benefits**

Defined contribution plans

Contributions to the provident fund, Family Pension Fund and Employee State Insurance which are defined contribution schemes, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on an independent actuarial valuation using the projected unit credit method, carried out as at balance sheet date. The obligation determined as aforesaid less the fair value of the Plan assets is reported as a liability or assets as of the reporting date. Actuarial gain or losses are recognised immediately in the Other Comprehensive Income and reflected in retained earnings and will not to be reclassified to the statement of profit and loss.

- **Other long-term employee benefits**

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by an independent actuarial valuation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

- **Termination benefits**

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

2.13 Share-based payments

Equity-Settled share based payments to directors and employees of the company are measured at the Fair value of the equity instrument at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note No. 40 to the Standalone Ind AS financial statements.
The fair value determined at the grant date of equity-settled share based payments to directors and employees of the company are expensed on a straight line basis over the vesting period, based on the company's estimate of equity instrument that will eventually vest, with a corresponding increase in equity.

The dilutive effect of outstanding option options is reflected as additional share dilution in the computation of diluted earnings per shares.

2.14 Leases

Operating Leases

Leases where the lessor effectively retains substantially all the risks and rewards of the ownership are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

Finance Leases

Leases under which the Company (as a lessee) substantially assumes all the risks and rewards of ownership are classified as finance lease. Assets taken on such finance leases are capitalized at the commencement of the lease term at the fair value of the leased item or, if lower, at the present value of the minimum lease payments.

Leases under which the Company (as a lessee) substantially assumes all the risks and rewards of ownership are classified as finance lease. Assets taken on such finance leases are capitalized at the commencement of the lease term at the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Such lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

2.15 Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

- **Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductable temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented

in the Balance Sheet, if and only when the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax is recognised to statement of profit and loss, except to the items that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

2.16 Earnings Per Share

Basic EPS is calculated by dividing the profit or loss for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Financial instruments

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

Financial assets

Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss);
- those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Equity investments

All equity investments in the scope of 'Ind AS 109 - Financial instruments' are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by 'Ind AS 109 - Financial instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Non-derivative financial liabilities

Recognition

The company initially recognises borrowings, trade payables and related financial liabilities on the date on which they are originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Measurement

Non-derivative financial liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition, these liabilities are measured at amortised cost using EIR method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with 'Ind AS 37 - Provisions, contingent liabilities and contingent assets' and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.18 Provision and contingent liabilities

A provision is recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss.

Contingent liability is disclosed in case of

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.19 Government grant

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are initially recognised as deferred income at fair value and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

2.20 Recent accounting pronouncements

Standards issued but not yet effective

On March 30, 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively.

Amendment to Ind AS 7: Statement of cash flows

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. These amendments are effective for annual periods beginning on or after April 1, 2017. Application of the amendments will result in additional disclosures provided by the company.

Amendment to Ind AS 102: Share-based payment

The amendment to Ind AS 102 address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled.

The amendments are effective for annual periods beginning on or after April 1, 2017. These amendments are not expected to have any impact on the company.

Leading Edge Infotech Limited
Notes to financial statements for the year ended 31 March 2017
(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 3: Property, plant and equipment Other intangible assets

Particulars	Gross Block at Cost						Depreciations / Amortisation							Net Block		
	Cost as at April 1, 2015	Additions 2015-16	Deductions / Adjustments 2015-16	As at March 31, 2016	Additions 2016-17	Deductions / Adjustments 2016-17	As at March 31, 2017	As at April 1, 2015	For the year 2015-16	Deductions / Adjustments 2015-16	As at March 31, 2016	For the year 2016-17	Deductions / Adjustments 2016-17	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Tangible assets																	
Computers and peripherals	5.28	-	-	5.28	-	-	5.28	5.28	-	-	5.28	-	-	5.28	-	-	-
Office equipment	0.15	-	-	0.15	-	-	0.15	0.02	0.02	-	0.04	0.02	-	0.06	0.09	0.11	0.13
											-						-
Total	5.43	-	-	5.43	-	-	5.43	5.30	0.02	-	5.32	0.02	-	5.34	0.09	0.11	0.13

During the year the company has not carried out physical verification of assets.

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 4: Non-Current Financial Assets - Investments

Particulars	31 March 2017	31 March 2016	1 April 2015
(i) Investments at fair value through other comprehensive income (FVTOCI): Non-current			
Unquoted equity shares			
North Kanara GSB Co-operative Bank Limited	0.50	0.50	0.50
5,000 (31 March 2016 : 5,000 ; 1 April 2015 : 5,000) equity shares of Rs.10 each fully paid			
Total	0.50	0.50	0.50
	-	-	-
Aggregate book value of unquoted investments	0.50	0.50	0.50
Aggregate amount of impairment in the value of investments	-	-	-

Note 5: Non Current Financial - Assets Other

Particulars	31 March 2017	31 March 2016	1 April 2015
Financial assets at amortised cost			
Security deposits	3.24	0.24	0.18
Total	**3.24**	**0.24**	**0.18**

* Term deposits with banks are held as lien with banks against guarantees issued on behalf of the Company.

Note 6: Other Non-Current Assets

Particulars	31 March 2017	31 March 2016	1 April 2015
Prepaid Expenses	2.06	0.08	0.05
	-	-	-
Total	**2.06**	**0.08**	**0.05**

Note 7: Current Financial Asset - Trade Receivables

Particulars	31 March 2017	31 March 2016	1 April 2015
From others			
- Considered doubtful	-	-	5.88
- Considered good	6.33	-	-
	6.33	-	**5.88**
Less: Impairment allowance (allowance for bad and doubtful debts)	-	-	(5.88)
Total	**6.33**	-	-

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Note 8: Cash and cash equivalents

Particulars	31 March 2017	31 March 2016	1 April 2015
Balances with banks			
In current accounts	3.07	2.11	1.12
Deposits with original maturity of less than 3 months	2.50	2.50	2.50
Cash on hand	0.00	0.00	0.00
Total	**5.57**	**4.61**	**3.62**

Note 9: Current Financial Asset - Other

Particulars	31 March 2017	31 March 2016	1 April 2015
Loan to related party			
Considered doubtful	-	1.36	0.53
Total	-	**1.36**	**0.53**

Note 10: Currrent Assets- Others

Particulars	31 March 2017	31 March 2016	1 April 2015
Others	3.15	0.40	0.19
Total	**3.15**	**0.40**	**0.19**

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 11: Equity share capital

Particulars	31 March 2017	31 March 2016	1 April 2015
Authorised shares 500,000 (31 March 2016: 500,000, 1 April 2015: 500,000) equity shares of Rs.10 each	50.00	50.00	50.00
Issued, subscribed and fully paid-up shares 500,000 (31 March 2016: 500,000, 1 April 2015: 500,000) equity shares of Rs.10 each	50.00	50.00	50.00
Total	50.00	50.00	50.00

a) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of `.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.
Preference Shares: The Company's authorised capital is divided in equity share capital & preference share capital. However the company has not yet issued any preference share.

b) Reconciliation of share capital

Particulars	31 March 2017		31 March 2016		1 April 2015	
	Number	Amount	Number	Amount	Number	Amount
At the beginning of the period	500,000	50.00	500,000	50.00	500,000	50.00
Outstanding at the end of the period	500,000	50.00	500,000	50.00	500,000	50.00

c) Shares held by holding/ultimate holding Company and/or their subsidiaries/associates
Entire share capital is held by Trigyn Technologies Limited, the holding company and its nominees.

d) Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2017		31 March 2016		1 April 2015	
	Number	% holding	Number	% holding	Number	% holding
Equity shares of Rs. 10 each fully paid						
Trigyn Technologies Ltd	500,000	100%	500,000	100%	500,000	100%

e) Shares reserved for issue under options

g) Particulars of calls in arrears by directors and officers of the company. – Nil

h) There are no shares forfeited during the year.

i) Security convertible into equity shares: Nil

(6

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 12: Other equity

Particulars	31 March 2017	31 March 2016	1 April 2015
Surplus in the statement of profit and loss			
At the beginning of the period	(287.12)	(256.59)	(208.73)
Total comprehensive income as per statement of profit and loss	(33.79)	(30.53)	(47.86)
Total	(320.91)	(287.12)	(256.59)

Note 13 : Non-Current Financial Liabilities - Borrowing

Particulars	31 March 2017	31 March 2016	1 April 2015
From Related Parties	-	-	-
Loan form Holding Company	285.16	244.84	213.36
Total	285.16	244.84	213.36

Note 14: Non-Current Provisions

Particulars	31 March 2017	31 March 2016	1 April 2015
Provision for employee benefits			
i) Provision for compensated absences	2.94	4.49	2.72
ii) Provision for gratuity	0.25	0.18	-
Total	3.19	4.66	2.72

Note 15: Current Financial liabilities - Trade payables

Particulars	31 March 2017	31 March 2016	1 April 2015
From others			
Total outstanding dues of creditors other than micro enterprises & small enterprises	4.79	3.97	1.18
Total	4.79	3.97	1.18

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2017. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company. This has been relied upon by the auditors.

Note 16: Current Other financial liabilities

Particulars	31 March 2017	31 March 2016	1 April 2015
Other payables	1.97	0.32	1.25
Total	1.97	0.32	1.25

Note 17: Other current liabilities

Particulars	31 March 2017	31 March 2016	1 April 2015
Statutory dues	2.14	0.50	3.02
Total	2.14	0.50	3.02

Note 18: Current Provisions

Particulars	31 March 2017	31 March 2016	1 April 2015
Provision for employee benefits			
i) Provision for compensated absences	0.47	0.86	0.48
i) Provision for gratuity	8.83	7.48	6.15
Total	9.30	8.34	6.63

Leading Edge Infotech Limited
Notes to financial statements for the year ended 31 March 2017
(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 19: Revenue from operations

Particulars	31 March 2017	31 March 2016
Sale of services		
Income from Communications and information technology staffing support services	11.26	18.16
Total	11.26	18.16

Note 20: Other income

Particulars	31 March 2017	31 March 2016
Interest income from deposits with banks and others	0.53	0.18
Dividend income on long-term investment	0.06	0.06
Other non operating income	-	1.15
Total	0.59	1.39

Note 21: Employee benefits expense

Particulars	31 March 2017	31 March 2016
Salaries, wages and bonus	33.90	38.76
Contribution to provident and other funds	2.44	2.65
Gratuity and leave encashment	1.13	3.21
Staff welfare	0.06	0.03
Total	37.53	44.65

Note 22: Finance costs

Particulars	31 March 2017	31 March 2016
Net interest cost on net defined benefit obligations		
Bank charges and commission	0.53	0.41
Other interest	0.00	0.04
Total	0.53	0.45

Note 23: Other expenses

Particulars	31 March 2017	31 March 2016
Rent	0.79	0.81
Auditors' remuneration (refer note 29)	1.00	1.38
Legal and professional charges	4.68	1.50
Miscellaneous expenses	0.56	0.73
Total	7.02	4.42

Note 24: Other comprehensive income

Particulars	31 March 2017	31 March 2016
Items that will not be reclassified to profit or loss		
Remeasurements gains and losses on post-employment benefits	0.53	0.55
Total	0.53	0.55

16

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 25: Taxation

Balance Sheet

i) Non Current tax - Assets

Particulars	31 March 2017	31 March 2016	1 April 2015
Advance Tax Paid	25.74	34.05	32.20
Less Provision made	(11.04)	(15.83)	(15.83)
Total	**14.71**	**18.22**	**16.37**

Note 26 : Explanation to transition to Ind AS

As stated in note 2, these are the company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS). For the year ended 31 March 2016, the company had prepared its financial statements in accordance with Companies (Accounting Standard) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP' or 'Indian GAAP').

The accounting policies set out in note 2 have been applied in preparing these financial statements for the year ended 31 March 2017 including the comparative financial statements for the year ended 31 March 2016 and the opening Ind AS balance sheet as at the date of transition i.e. 1 April 2015.

Exemptions and exceptions availed as per Ind AS 101 First-time adoption of Indian Accounting standards
In preparing these financial statements, the company has applied the below mentioned optional exemptions and mandatory exceptions:

1. Property, plant and equipment and intangible assets
The Company has elected to continue with the carrying value for all of its property, plant and equipment & intangible assets as recognised in its Indian GAAP financials as deemed cost at the transition date.

2. Share based payments
The Company has elected to apply the share based payment exemption available under Ind AS 101 on application of 'Ind AS 102: Share Based Payment', to only grants made after 1 April 2015, which remained unvested as of the transition date.

3. Investments in subsidiaries
The company has elected to adopt carrying value under previous GAAP, for all of its investment in subsidiaries as recognised in its Indian GAAP financials as deemed cost as at the transition date.

4. Business Combinations
The company has elected to apply Ind AS 103, prospectively to business combinations occurring after its transition date i.e. 1 April 2015. Business combinations that occurred before 1 April 2015, has not been restated.

5. Designation of previously recognised financial instruments
Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of facts and circumstances at the date of transition to Ind AS. The company has elected to apply this exemption for its investment in equity shares.

Exceptions applied

1. Derecognition of financial assets and financial liabilities
The Company has applied the de-recognition requirements in Ind AS 109 'Financial Instruments' prospectively to transactions occurring on or after transition date.

2. Estimates
The estimates as at 1 April 2015 and as at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP, except where estimates were required by Ind AS and not required by Indian GAAP.
i) FVTOCI - Unquoted equity shares
The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2015, the date of transition to Ind AS and as of 31 March 2016.

3. Classification and measurement of financial assets
Ind AS 101 requires an entity, an entity to assess classification and measurement of financial assets, on the basis of the facts and circumstances that exist at the transition date to Ind AS.

Transition to Ind As
In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP"). The exemptions and exceptions applied by the Company in accordance with Ind AS 101 'First-time Adoption of Indian Accounting Standards' along with the reconciliations of equity, total comprehensive income and statement of cash flows in accordance with Previous GAAP to Ind AS are explained below.

(Amounts in Indian Rupees Lakhs unless otherwise stated)

i) Statement of Equity Reconciliation as at

Sr.No.	Particulars	As At March 31, 2016	As At April 1, 2015
(A)	Shareholders Equity under Indian	(237.12)	(206.59)
(B)	Ind AS adjustment- Impact on equity		
	Total impact on equity	-	-
(C)	Shareholders Equity under Ind AS	(237.12)	(206.59)

ii) Statement of Profit Reconcililation for the year ended March 31, 2016

Sr.No.	Particulars	Year ended 31 March 2016
(A)	**Net profit as per Indian GAAP**	(30.53)
(B)	**Ind AS adjustment- Impact on net**	
	Actuarial gains/ loss on employee defined benefit funds (Net	(0.55)
	Total (B)	(0.55)
(C)	**Net profit for the period as per Ind**	(31.08)
(D)	**Ind AS adjustments- Impact on other**	
	Actuarial gains/ loss on employee defined benefit funds (Net	0.55
	Total (D)	0.55
	Total impact of Ind AS adjustments	-
(E)	**Total comprehensive income as per**	(30.53)

iii) Statement of Cash Flow Reconciliation

Sr. No	Particular	For the year ended March 31, 2016		
		As per the Previous GAAP	Effect of Transition to Ind As	As per Ind AS
i)	Net Cash generated From Operating Activities	(29.86)	(0.41)	(29.45)
ii)	Net Cash From / (Used) In Investing Activities	0.24		0.24
iii)	Net Cash From / (Used) In Financing Activities	30.60	0.41	30.20
	Net Increase/(Decrease) In Cash And	**0.99**	**0.00**	**0.98**
iv)	Cash and cash equivalents at the beginning of the year	3.62	(0.00)	3.62
v)	Add: effect of exchange rate changes on	-	-	-
	Cash and cash equivalents at the end	**4.61**	**0.00**	**4.61**

Notes :

a. Under the previous GAAP, long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in equity instruments designated as at fair value through Other Comprehensive Income (FVOCI) have been recognised in Equity through other comprehensive income as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2016.

b. Under Ind AS, certain items of income and expense that are not recognised in profit or loss but in Other Comprehensive Income and these includes remeasurement of defined benefit plans and fair value gains or losses on equity instruments measured subsequently at FVOCI. The concept of Other Comprehensive Income did not exist under previous GAAP

c. Under Indian GAAP, net finance cost / income on post-employment defined benefit plans is recognised in statement of profit and loss under 'employee benefit expense'. Under Ind AS, net finance cost / income is recorded under 'finance cost / income'. This adjustment does not have any impact on statement of profit and loss.

d. Under Indian GAAP, a company uses intrinsic value approach to measure the cost of share based payments. Under this approach, if the exercise price for employee stock option is not less than the market price of the underlying shares on the date of the grant, no compensation cost is recorded. Under Ind AS, costs of share based payments are recorded based on the fair value of employee stock option. Under this approach, the instrument would have a value even if the exercise price is equal to the market price of the underlying shares on the date of grant. For shares issued to employees of the subsidiary, the entity will measure their value, and the corresponding increase in investment in subsidiary, indirectly, by reference to the fair value of the equity instruments granted.

h Deferred taxes have been recognized on the adjustments made on transition to Ind AS.

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 27: Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements

Particulars	Carrying value			Fair value		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
A. Financial asset						
i. Measured at amortised cost						
Security deposits	3.24	0.24	0.18	3.24	0.24	0.18
Trade receivable *	6.33	-	-	-	-	-
Deposits with banks	-	-	-	-	-	-
Other receivables	-	1.36	0.53	-	1.36	0.53
ii. Measured at fair value through other comprehensive income						
Investment in unquoted equity instruments	0.50	0.50	0.50	0.50	0.50	0.50
iii. Cash and cash equivalent*	5.57	4.61	3.62	-	-	-
B. Financial liability						
i. Measured at amortised cost						
Borrowing	285.16	244.84	213.36	285.16	244.84	213.36
Trade payables*	4.79	3.97	1.18	-	-	-
Other payables	1.97	0.32	1.25	1.97	0.32	1.25

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuations, including independent price validation for certain instruments. Further, in other instances, Company retains independent pricing vendors to assist in corroborating the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The amount of fair value adjustment of the above financial asset and liabilities (except investment in unquoted securities which is fair valued through OCI) is considered to be insignificant in value and hence carrying value and the fair value is considered to be the same.

The carrying amounts of cash and cash equivalents, bank balance, advances, recoverable, trade receivable, trade payable, dues from subsidiary company, and other payables are considered to be the same as their fair values due to their short term nature

Fair value hierarchy
To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instrument into three levels prescribed under the accounting standard.
Level 1 : Level 1 hierarchy includes financial instrument measured using quoted prices
Level 2 : The fair value of financial instrument that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable .

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2017:

Particulars	Fair value measurement using				Inputs used	Inputs used
	Level	31 March 2017	31 March 2016	1April 2015		
a) Financial assets measured at fair value through other comprehensive income						
Investment in unquoted equity instruments	2	0.50	0.50	0.50		
b) Assets for which fair values are disclosed						
Financial assets measured at amortised cost						
Security deposits	2	3.24	0.24	0.18	Discounted cash flows	Forecast cash flows, discount rate, maturity
Deposits with banks	2	-	-	-		
Other receivables	2	-	1.36	0.53		
c) Financial liability measured at amortised cost						
Borrowing	2	285.16	244.84	213.36	Discounted cash flows	Forecast cash flows, discount rate,
Other payables	2	1.97	0.32	1.25		

Financial risk management policy and objectives

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 development of its 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.

Company's principal financial liabilities, comprise trade payable, employee benefits payable and other payables. The main purpose of these financial liabilities is to finance Company's operations (short term). Company's principal financial assets include security deposit, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Note 27: Financial Instruments

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include trade and other payables, investments in unquoted equity shares, security deposit, trade and other receivables, deposits with banks.

The sensitivity analysis in the following sections relate to the position as at 31 March 2017 and 31 March 2016. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks.

a) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is not exposed to any Foreign Currency Risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the Company is not having any interest bearing financial instruments.

ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with credit worthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables mainly consist of group companies. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, bank deposits, loans and derivative financial instruments is considered negligible, since the counterparties are reputable organizations with high quality external credit ratings.

Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognized on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets."

iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from domestic and international banks at optimised cost. Company enjoys strong access to domestic and international capital market across debt, equity and hybrids.

The table summarises the maturity profile of group's financial liabilities based on contractual undiscounted payments

As at 31 March 2017 Particulars	Carrying amount	On demand	Less than 1 Years	More than 1 Year	Total
Interest bearing borrowings	285.16	-		285.16	285.16
Other liabilities	1.97	-	1.97	-	1.97
Trade and other payable	4.79	-	4.79	-	4.79

As at 31 March 2016 Particulars	Carrying amount	On demand	Less than 1 Years	More than 1 Year	Total
Interest bearing borrowings	244.84	-	-	244.84	244.84
Other liabilities	0.32	-	0.32	-	0.32
Trade and other payable	3.97	-	3.97	-	3.97

As at 1 April 2015 Particulars	Carrying amount	On demand	Less than 1 Years	More than 1 Year	Total
Interest bearing borrowings	213.36	-		213.36	213.36
Other liabilities	1.25	-	1.25	-	1.25
Trade and other payable	1.18	-	1.18	-	1.18

06

Note 27: Financial Instruments
Capital management

The company policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain development of the business. Management monitors the return on capital on continuous basis.
The company has adequate cash and bank balances and no interest bearing liabilities (except for hire purchase facility for some of fixed assets lying under Property Plant and Equipment). The Company monitors its capital by a careful scrutiny of the cash and bank balances and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of debt equity ratio etc. may not be of any relevance of the company

(Amounts in Indian Rupees Lakhs unless otherwise stated)

28. Contingent liabilities:-

Contingent liabilities not provided for in respect of disputed income tax demand outstanding as at balance sheet date:

Nature of Dues	**1st March, 2017**	**31st March, 2016**
TDS Demand as per Traces (in process of filing rectification)	0.54	0.54

Except as described above, there are no pending litigations which the company believes could reasonably be expected to have a material adverse effect on the result of Operations, cash flow or the financial position of the Company.

29. Remuneration to Auditors:

Particulars	**31-Mar-17**	**31-Mar-16**
Statutory Audit Fees	1.00	1.38
Total	**1.00**	**1.38**

30. Earnings per Share

Computing earnings per share are summarized below:

Particulars	**31-Mar-17**	**31-Mar-16**
Profit / (Loss) after tax	(33.25)	(29.99)
Equity shares outstanding as at the year end	5.00	5.00
Weighted average number of equity shares used as denominator for calculating basic and diluted earnings per share	5.00	5.00
Nominal value per equity share	10	10
Basic and diluted earnings per equity share	**(6.65)**	**(6.00)**

31. These financial statements have been prepared on going concern basis despite negative net worth of the Company as at the year end. The Company is engaged in providing customized software solutions and consulting service to clients in banking and finance service industry in the domestic market. The management is taking steps to revive the business by enhancing the existing products and development of new products in the same segment including up-gradation of the technology platform to meet the requirement of the potential customers. The management believes that the Company will be able to finance its operations and meet its commitments from internal cash generation and financial support from the holding company. Accordingly, the financial statements have been prepared on going concern basis despite negative net worth of the Company as at the year end.

(Amounts in Indian Rupees Lakhs unless otherwise stated)

32. Related Party disclosures:

Name of related parties and nature of relationship:

Sr. No.	Relation	Related Party	Relation
1	**Enterprise controlling the company**	Trigyn Technologies Limited	Holding Company
2	**Key Management Personnel**	R. Ganapathi	Director
		Parthasarathy Iyengar	Director
4	**Fellow Subsidiary**	Trigyn Technologies (India) Private Limited. (w.e.f 13th March, 2014)	Fellow subsidiary companies
		Trigyn Technologies Europe GmbH (Liquidated)*	Fellow subsidiary companies
		Trigyn Technologies Inc	Fellow subsidiary companies
		eCapital Solutions (Bermuda) Limited- Voluntarily Liquated on 12th March, 2014	Fellow subsidiary companies
		Trigyn Digital Inc. (Liquidated 14th April on, 2016)	Fellow subsidiary companies
		Trigyn Technologies Schweiz Gmbh- Newly incorporated on 6th March, 2017	Fellow subsidiary companies

*The company is wound up as per the applicable laws in the country of registration. The necessary documents have been submitted at RBI as per FEMA regulations.

Particulars of related party transactions during the year ended March 31, 2017,

Name of Related Party	Nature of transactions	31-Mar-17	31-Mar-16
a. Holding Company			
Transaction during the year			
Trigyn Technologies Ltd.	Provisions / (written back) for doubtful Loan	40.31	31.48
	Loan Received (Allocated Expenses)	58.52	84.13
	Loans Repaid	18.22	52.65
	Loan Outstanding at year ended	285.16	244.84

(Amounts in Indian Rupees Lakhs unless otherwise stated)

b. Fellow Subsidiary			
Trigyn Technologies (India) Pvt. Ltd	Loan given (allocated Expenses)	0.34	0.83
	Loan Repaid(Provisions / Written Back)	1.71	-
	Loan Outstanding	-	1.36

33. Employee Benefits :

a) Defined contribution plans

The Company has recognized Rs. 2.25 (31 March 2016: Rs. 2.44) towards contribution to provident fund in the statement of profit and loss.

b) Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post-employment benefit to its employees in the form of gratuity. The Company has maintained a fund with the Life Insurance Corporation of India to meet its gratuity obligations. In accordance with the Standard, the disclosures relating to the Company's gratuity plan are provided below:

The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31-Mar-17	31-Mar-16
Present value of obligation as at the beginning of the period	7.97	9.49
Interest cost	0.61	0.72
Current service cost	0.37	0.55
Benefits paid	-	(3.22)
Remeasurements on obligation - (gain) / loss	0.48	0.42
Present value of obligation as at the end of the period	**9.42**	**7.97**

(Amounts in Indian Rupees Lakhs unless otherwise stated)

The changes in the fair value of planned assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2017	31 March 2016
Fair value of plan assets at the beginning of the period	0.32	3.35
Interest income	0.08	0.31
Contributions	-	-
Remeasurements on plan assets - (gain) / loss	(0.06)	(0.12)
Benefits paid	-	(3.22)
Fair value of plan assets as at the end of the period	**0.34**	**0.32**
Actual return on plan assets		

Amounts recognised in the balance sheet are as follows:

Particulars	31 March 2017	31 March 2016
Present value of obligation as at the end of the period	**9.42**	7.97
Fair value of plan assets as at the end of the period	0.34	0.32
Surplus / (deficit)	**(9.08)**	**(7.65)**

Amounts recognised in the statement of profit and loss are as follows:

Particulars	31 March 2017	31 March 2016
Current service cost	0.37	0.55
Net interest (income) / expense	0.52	0.41
Net periodic benefit cost recognised in the statement of profit and loss at the end of the period	**0.90**	**0.96**

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Amounts recognised in the statement of other comprehensive income (OCI) are as follows:

Particulars	31 March 2017	31 March 2016
Opening amount recognised in OCI outside statement of profit and loss	0.55	-
Remeasurement for the year - obligation (gain) / loss	0.48	0.42
Remeasurement for the year - plan assets (gain) / loss	0.06	0.12
Total remeasurements cost / (credit) for the year	**0.53**	**0.55**
Less: Amount transferred to retained earnings	-	-
Closing amount recognised in OCI outside statement of profit and loss	**1.08**	**0.55**

Net interest (income) / expense recognised in statement of profit and loss are as follows:

Particulars	31 March 2017	31 March 2016
Interest (income) / expense - obligation	0.61	0.72
Interest (income) / expense - plan assets	(0.08)	(0.31)
Net interest (income) / expense for the year	0.52	0.41

The broad categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2017	31 March 2016
Government of India securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special deposit scheme	-	-
Funds managed by insurer	0.34	0.32
Others	-	-
Total	**0.34**	**0.32**

(Amounts in Indian Rupees Lakhs unless otherwise stated)

Principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are as follows:

Particulars	31 March 2017	31 March 2016
Discount rate	7.35%	7.85%
Salary escalation rate	10.00%	10.00%
Expected rate of return on plan assets		
Expected average remaining working lives of employees (in years)		
Withdrawal rate		
Age up to 30 years	15%	15%
Age 31 - 34 years	10%	10%
Age 35 - 44 years	5%	5%
Age 45 - 50 years	3%	3%
Age 51 - 54 years	2%	2%
Age 55 - 57 years	1%	1%

A quantitative sensitivity analysis for significant assumption is shown as below:

Particulars	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-5.22%	1.96%
Impact of decrease in 50 bps on DBO	5.62%	-1.90%

Compensated absence for employees:
Amount recognized in the Balance Sheet and movement in liability:

Particulars	31 March 2017	31 March 2016
Opening balance of compensated absences	2.66	3.20
Present value of compensated absences(As per actuary valuation) as at the year-end (b)	3.41	2.66
(Excess)/Unfunded liability of Compensated Absences recognized in the Statement of Profit and Loss for the year (b-a)	**0.75**	**(0.54)**

34. Impairment of Assets:

The company has carried out review of its fixed assets for impairment in accordance with the Ind accounting standard (Ind AS) – 36 "Impairment of Assets" and is of the view that there is no impairment in carrying value of the asset.

35. Lease:

Particulars	31 March 2017	31 March 2016
Lease payments debited to statement of profit and loss - Cancellable leases	0.79	0.81

36. Public deposit:

The Company has not accepted any deposit within the meaning of Sections 73 to 76 of Companies Act 2013 and the rules framed there under. The Auditors has relied upon management representation in this regards.

37. The company has reviewed all the pending litigation and is of the opinion that no further provision is required impacting the financial position of the company

38. The Company has borrowed money from its holding company and its fellow subsidiaries from time to time for its operations. The loan is unsecured and interest free. The outstanding balance as at 31st March 2017 is Rs..285.16 Lacs

39. Long term contracts and derivatives contract:

The Company assessed its long term contracts. There are no foreseeable losses on such contracts. The company does not have any derivative contracts.

40. Investor Education and Protection Fund:

During the year there is no amount required to be transferred to Investor Education and protection Fund by the Company.

(Amounts in Indian Rupees Lakhs unless otherwise stated)

41. Demonetization

Demonetization: As per MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes(SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the SBNs and other notes as per the notification is given below:

Particulars	SBNs(1)	Other denomination notes (2)	Total Rs. (1+2)
Closing cash in hand as on November 8, 2016	-	-	-
(+) Permitted receipts	-	0.50	0.50
(-) Permitted payments	-	0.50	0.50
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	-	-

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

42. Previous year figures:

Previous year figures have been reclassified to conform to this year's classification.

For **FORD RHODES PARKS & CO. LLP**
Chartered Accountants
Firm Registration Number : 102860W/W100089

B. S. S. Shetty
Partner
Membership No.: 6031F

Mumbai, Dated: May 16, 2017.

For **Leading Edge Infotech Limited**

R. Ganapathi
Director

Parthasarathy Iyengar
Director

Mumbai, Dated: May 16, 2017.