YATRA CAPITAL

YATRA CAPITAL LIMITED

(IN LIQUIDATION)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2018

INVESTMENT MANAGER

IL&FS | IL&FS Investment Advisors LLC

YATRA CAPITAL

Contents

Performance Summary

- Yatra Capital Limited (in liquidation) ("Yatra" or "the Company") through its investment in K2 Property Limited ("K2") has completely exited from 11 out of a total of 14 investments in its portfolio up to 30 September 2018. These include exits from a mixed-use project in Bhavnagar, a listed investment in Phoenix Mills Limited, Gangetic Developers Private Limited in Agra, Palladium Constructions in Bangalore, Vamona Developers Private Limited in Pune, City Centre Mall in Nashik, Treasure Town in Bijalpur, Indore, Taj Gateway, Kolkata, Fountain Head in Pune, Riverbank Developers in Kolkata and Forum IT Parks in Kolkata.

- The Company was placed in liquidation by its shareholders at a general meeting held on 17th September 2018.

- As a result of the decision to liquidate the Company, the Company is now required to prepare these interim financial statements on a liquidation basis. This means that the financial statements are required to incorporate the directors' assessment of the sums that will be available for distribution to shareholders once all assets have been realised and all liabilities settled. The directors have assessed the values of the Company's remaining assets on this basis, and have taken account of all known and anticipated costs to close the Company, having made a reasonable assessment of the length of time that it will take to deal with the conversion of assets into cash, the settlement of liabilities and the completion of closure formalities, including audit and tax filing matters. On this basis, the directors have assessed an estimated outcome range of EUR 4.0-4.4 per share (31 March 2018 – EUR 4.0-4.4 per share). This assessment remains subject to material uncertainty as to, in particular, the realisation value of the Company's remaining assets, the foreign exchange rate between the Euro and the Indian Rupee and the length of time that it will take to wind the Company up.

- Net Asset Value ("NAV") per share decreased by 1% from EUR 4.20 as at 31 March 2018 to EUR 4.16 as at 30 September 2018. The net loss for the period ended 30 September 2018 derived from the investment activities of the Company was EUR 0.08 mn. This is as compared to a net loss of EUR 3.31 mn for the period ended 30 September 2017. Basic and diluted loss per share for the period ended 30 September 2018 was EUR 0.04 as compared to basic and diluted loss per share of EUR 0.96 for the period ended 30 September 2017.

**NAV per share is based on Yatra's net assets derived from the Statement of Financial Position as at 30 September 2018 divided by the number of shares then outstanding and in issue.*

YATRA CAPITAL

Chairman's Statement

Dear Shareholder

As you will be aware, the Company was placed in a members' voluntary liquidation in September 2018. The remaining directors of the Company are conducting the liquidation. As a result of the liquidation decision, the directors' responsibilities are to discharge their duties under the Companies (Jersey) Law 1991 to get in the sums due to the Company and settle its creditors, with the residual balance being distributable to shareholders once that process is complete.

Through the Company's subsidiary, K2 Property Limited ("K2"), there are two material balances receivable from the Company's now complete asset disposal programme. The carrying value of K2 in the books of the Company substantially represents these two receivable balances. The directors of K2 have assessed the carrying value of those balances, and any provisions required against them, and the outcome of this assessment is reflected in the net carrying value of K2 shown in these accounts. K2's investment manager, IL&FS Investment Advisors Limited, is tasked with ensuring the recovery of those balances and is incentivized to do so at the maximum value achievable through its existing incentive arrangements. The board presently expects the recovery of these balances to take place during 2019, but this assessment is not without uncertainty. The directors do not presently intend to distribute proceeds to shareholders until they have all been collected and creditors settled, to avoid the not insubstantial professional fees involved in making returns of capital.

Shareholders will note from the summary provided earlier in this report that the residual value estimation range reported in my statement accompanying the audited financial statements of the Company for the year ended 31 March 2018, being EUR 4.0-4.4, remains unchanged. The principal variables impacting this range remain the credit stress attributable to the minority of the principal balances recoverable, the time that it will take to recover those balances, and the exchange rate between the Euro and the Indian Rupee, in which currency the recoverable balances are denominated.

Shareholders may well be aware that K2's Investment Manager, IL&FS Investment Advisors Limited ("IIAL") is ultimately majority owned by Infrastructure Leasing & Financial Services Limited ("IL&FS"), which company has recently experienced severe financial stress and is the subject of an ongoing investigation in India. We have received assurances from the management team of IIAL that it does not regard itself as prejudiced by the circumstances at IL&FS and continues to operate normally. IL&FS has recently announced its intention to sell its interest in IIAL's parent company. The board will continue to keep this matter under close review.

Finally, I would like to draw to your attention the decision taken by Messrs Malcolm King and Christopher Wright to not offer themselves for re-election as directors at the Company's Annual General Meeting in September 2018, in the interests of reducing the Company's cost base commensurate with its current commercial status and impending liquidation. My sincere thanks go to them for their support, insight and wise counsel throughout their tenure and in particular during the implementation of the Company's asset disposal programme.

I look forward to reporting to you further as we work towards the placing the Company in a position to make its final return of capital to shareholders.

Yatra Capital

Yours faithfully

Richard Boleat, Chairman

Jersey , 28th December 2018

Board of Directors

Richard Boléat

Richard Boleat was born in Jersey, Channel Islands in 1963. He qualified as a Chartered Accountant with Coopers & Lybrand in the UK in 1988. He subsequently worked in the Middle East, Africa and the UK for a number of commercial and financial services groups before returning to Jersey in 1990. He was a Principal of Channel House Financial Services Group Limited prior to its acquisition by Capita Group plc ("Capita") in September 2005. Richard led Capita's financial services client practice in Jersey until September 2007, when he left the company to establish an independent corporate governance practice. He currently acts as Chairman of CVC Credit Partners European Opportunities Limited and Funding Circle SME Income Fund Limited and as a Director and Audit Committee Chairman of M&G Credit Income Investment Trust plc, all of which are listed on the London Stock Exchange, and is an independent director of a number of other substantial collective investment and investment management entities. He is personally regulated by the Jersey Financial Services Commission.

David Hunter

David Hunter is Managing Director of Hunter Advisers, a property fund consultancy which offers advice on the launch and operation of property funds in the UK and overseas. Coupled with this role, he has a number of non-executive positions in UK and international property companies, focused on delivering value for shareholders. Until 2005, David was a leading Pan-European property fund manager with over 20 years' experience and an exceptional track record of building and running fund management businesses.

David was President of the British Property Federation in 2003-04 and led the industry delegation which successfully negotiated with the UK Government for the introduction of REITs.

George Baird

George was born in Dundee, Scotland in 1950 and qualified with AYMM in 1974 before moving to Jersey in 1980 to work for the States of Jersey in the finance area. In 1991 he was appointed Treasurer of the States of Jersey, one of the most senior positions in the Civil Service reporting to the Finance and Economics Committee whose main responsibility was defining and implementing government financial and budget strategy. In 1999 he moved to Mourant as Group Finance and Operations Director until his retirement in 2002. Since then he has built up a portfolio of non- executive directorships in the Channel Islands to include several property companies where he plays a prominent role on the Investment and Audit Committees.

Directors' Report

The Directors present their interim report and the unaudited financial statements of Yatra Capital Limited (in liquidation) ("the Company") for the period ended 30 September 2018.

The Company

The Company was established in Jersey on 26 May 2006. The Company's ordinary shares were admitted to listing on the Euronext Market on 6 December 2006. The Company was established to invest in Foreign Direct Investment (FDI) compliant Indian real estate development opportunities. The Company has divested a large part of its investments and continues its focus on exiting the remaining portfolio to return the money to shareholders.

As agreed with the shareholders of the Company held in its meeting of 17 September 2018, the Class A and Class B shares held by Yatra in K2 Property Limited which were redeemable at the option of the Company will now be redeemed by 30 June 2019. The shareholders of Yatra also gave a formal approval for extension of the terms of the Investment Management Agreement with IL&FS Investment Advisors LLC ("IIAL") IIAL until the long stop date of 30 June 2019.

The Company was placed in liquidation by its shareholders on 17th September 2018.

Business Review

A review of the Company's activities during the period is set out in the Chairman's Statement on page 2.

Results and Dividend

The Company's results for the year ended 30 September 2018 are shown in the Statement of Profit or Loss and Other Comprehensive Income (page 13) and related notes (pages 16 to 33). The Directors do not propose to declare a dividend for the year under review (30 September 2017 - Nil).

Directors

All the directors of the Company are independent. The membership of the Board of Directors ("Board") is set out below.

Director	Date of Appointment
David Hunter	5 June 2006
Richard Boléat (Chairman)	27 January 2010
George Baird (Chairman of the Audit and Risk Committee)	8 March 2012

Richard Boleat, David Hunter and George Baird served office throughout the period under review. Malcom King and Christopher Wright did not seek re-election the board of Directors at the Annual General Meeting on 17 September 2018. Ramesh Chander Bawa resigned on 21 September 2018.

Directors' Interests

The following directors had interests in the shares of the Company as at 30 September 2018.

Director	Number of Ordinary Shares
David Hunter	2,840

David Hunter is also a director of K2 Property Limited, a subsidiary of the Company.

Directors' Remuneration

During the period, the directors and former directors received the following emoluments from the Company:

Directors of the Company	Remuneration (in EUR)
David Hunter	13,669
Malcolm King (Resigned – 17 September 2018)	13,668
Richard Boléat	18,225
Christopher Wright (Resigned – 17 September 2018)	13,669
George Baird	14,428
Total	**73,659**

There are no service contracts in existence between the Company and its directors. However, each director was appointed by a Letter of Appointment, which sets out the main terms of the appointment. All the directors offer themselves for re-election each year at the Annual General Meeting of the Company, unless they elect not to do so.

Management

IIAL provides investment management services to K2 Property Limited and project management, property advisory, property management and monitoring services to subsidiaries of K2 Property Limited, in accordance with the investment objective, investment policy and restrictions of the Company, K2 Property Limited and its subsidiaries. IIAL is a wholly owned subsidiary of IL&FS Investment Managers Limited ("IIML"), which is in turn a subsidiary of Infrastructure Leasing & Financial Services Limited ("IL&FS") a company incorporated in India. IIML is listed on the National Stock Exchange of India Limited and BSE Limited. IIAL also provides coordination of public relations, investor relations and other general operating services to the Company.

Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards and applicable law.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Assess the Company’s ability to continue as a going concern, disclosing as applicable matters related to going concern and
- Use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

As disclosed in note 2.1 to the financial statements, these financials statements have not been prepared on a going concern basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with Companies (Jersey) Law 1991. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company’s website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Responsibility statement

With regard to Regulation 20041109/EC of the European Union (the "EU Transparency Directive"), the directors confirm to the best of their knowledge that:

- the financial statements for the period ended 30 September 2018 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by law and in accordance with International Financial Reporting Standards; and

- the Directors' report and Chairman’s statement give a fair view of the development of the Company's business, financial position and the important events that have occurred during the year and their impact on these financial statements.

The principal risks and uncertainties faced by the Company are disclosed below and in note 3 of these financial statements.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Corporate Governance

A statement of Corporate Governance can be found on pages 9 to 11.

Key Risks

There are a number of risks attributed towards the execution of the Company's strategy, which are now solely attributable to the Company's liquidation process.

- Changes to regulations governing foreign investments including repatriation of funds may adversely affect the Company's performance. The Company, through the Investment Manager, monitors this risk and, where applicable, procures advice from specialist lawyers and tax advisors in respect of the structuring of its investments.
- K2 invests in Indian Companies ("Portfolio Companies") and these investment is denominated in Indian Rupees. The Company's issued shares are denominated in EUR, and the Company and its investment in K2 are therefore exposed to currency risk whereby a movement in the Indian Rupee / EUR exchange rate will affect the value of the investments and result in unrealised and realised gains or losses thereon.
- Where the Company, through K2, has contracted to dispose of interests in Portfolio Companies or their underlying assets, there is a credit risk in respect of the willingness and ability of the counterparties to honor the relevant agreements. The Board reviews this risk and applies appropriate discount rates to the contracted values of these agreements.

The Board continues to monitor and, where possible, take steps to mitigate these key risks and other uncertainties to which the Company and its investment in K2 are exposed.

Annual General Meeting

The last Annual General Meeting (AGM) of the Company was convened on 17 September 2018.

Independent Auditors

KPMG Channel Islands Limited was reappointed as auditor at the Annual General Meeting held on 17 September 2018.

By Order of the Board

George Baird

Richard Boléat
Chairman

George Baird
Director and Audit & Risk Committee Chairman

28th December 2018

Corporate Governance Report

It is the Company's policy to comply with best corporate governance practices. The Company recognizes that effective governance is a fiduciary responsibility fundamental to its long-term success. The Board endeavors to foster a management culture based on effective checks and balances, proper procedures for managing risks attached to opportunities, and accountability towards stakeholders with regard to the policies pursued.

Role of the Board

Now that the Company has been placed in liquidation, the role of the board is limited by law to the gathering in of assets, the settlement of liabilities, the distribution of residual capital to shareholders, and the dissolution the Company and its subsidiaries. The Board members have reaffirmed their independence wherever appropriate other than as disclosed elsewhere in these financial statements.

The directors believe that this interim report and financial statements, taken as a whole, present a fair, balanced and understandable assessment of the Company's position and prospects.

Board Decisions

The Board ensures during its meetings that strategic matters are considered as well as matters of particular concern to shareholders. The operational obligations of the Board have been delegated through appropriate arrangements to the Investment Manager and the Administrator, as all members of the Board are non-executive.

Board Meetings

The Board holds its meetings regularly and also meets as and when required to consider specific issues reserved for decision by the Board. The Board met twice during the period under review. Attendance at Board meetings by individual board members and former board members is disclosed as follows:

Director	Attendance at Meetings
David Hunter	2
Richard Boléat	2
Malcolm King (Resigned – 17 September 2018)	1
Christopher Wright (Resigned – 17 September 2018)	1
George Baird	2
Ramesh Bawa (Resigned – 21 September 2018)	-

Committees of the Board

Audit & Risk Committee

The Audit & Risk Committee (ARC) is comprised of George Baird (Chairman) and Richard Boléat who are each considered to have the requisite expertise in matters of finance and accounting. George Baird is also Chairman of the Audit & Risk Committee of K2 Property Limited. The ARC meets at least three times a year and, if required, meetings can also be attended by the Investment Manager, the Administrator and the Independent Auditor.

The ARC is responsible for ensuring that the financial performance of the Company is properly monitored, controlled and reported on. The ARC's primary responsibilities are to review accounting policies and the financial statements, understand and agree the key underlying principles, engage in discussions with external auditors and ensure that an effective internal control framework exists. The duties of the ARC are covered under the terms of reference of the ARC and include:

- To oversee the selection process of external auditors and make recommendations to the Board in respect of their appointment, re-appointment and remuneration;
- To ensure the integrity of the financial statements;
- To monitor and review the independence of the auditors, their objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements;
- To keep under review the effectiveness of internal financial controls;
- To ensure that a member of the ARC attends the Annual General Meeting of the Members;
- To oversee the effectiveness of the processes and controls used by the Company to monitor and manage risk within the parameters adopted by the Board; and
- To review the Company's major risk exposures and the steps taken to monitor and control such exposures.

The directors believe that due to the structure and size of the Company, no internal audit function is appropriate or required.

During the period under review, the ARC met once. The table below shows the attendance of the ARC members and former members at the meetings for the year under review:

Director	Attendance at Meetings
Richard Boléat	1
Malcolm King (Resigned -17 September 2018)	1
Christopher Wright (Resigned – 17 September 2018)	1
George Baird	1

Remuneration and Nominations Committee

The Remuneration and Nominations Committee (RNC) comprises Richard Boléat and David Hunter (Chairman). RNC is responsible for the terms of appointment and remuneration of the Company's directors and the incentive policies of the Company, K2 Property Limited and its subsidiaries as a whole. The RNC met once during the period under review. The table below shows the attendance of the RNC members and former members at the meeting for the period under review:

Director	Attendance at Meetings
Richard Boléat	1
David Hunter	1
Ramesh Bawa (Resigned – 21 September 2018)	0

Shareholder Relations

Shareholder communications are a priority of the Board and the Company maintains a regular dialogue with its shareholders as appropriate to its circumstances. The Company promptly posts all relevant information and news to the Authority for Financial Markets, Euronext and on its website. The Chairman and representatives of the Investment Manager make themselves available to meet with key shareholders. The Board is also fully informed on any market commentary on the Company made by the Investment Manager and other professional advisors. The Board monitors its investor relations process consistently to ensure the effectiveness of the Company’s communications. The notice of the Annual General Meeting is posted to the shareholders at least 42 clear days in advance of the meeting. Shareholders or their proxies are encouraged to attend and participate in the Annual General Meeting.

Financial statements

In compliance with the Dutch Financial Supervision Act (FSA) relating to the Company’s Euronext Amsterdam Listing, the audited annual and the unaudited semi-annual financial statements of the Company are also uploaded on its website www.yatracapital.com

Statement of Financial Position

As at 30 September 2018

	Notes	As at 30-Sep-18 EUR	As at 31-Mar-18 EUR
ASSETS			
Current assets			
Financial assets at fair value through profit or loss	6	8,925,709	8,775,151
Prepayments and other receivables		8,490	26,186
Cash and cash equivalents		195,947	351,764
		9,130,146	9,153,101
Total assets		9,130,146	9,153,101
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	7	115,457,092	115,457,092
Accumulated losses		(106,754,184)	(106,676,834)
Total equity		8,702,908	8,780,258
Current liabilities			
Accruals and other payables	8	427,238	372,843
Total Liabilities		427,238	372,843
Total equity and liabilities		9,130,146	9,153,101
Number of ordinary shares in issue		2,089,701	2,089,701
Net asset value per share	14	4.16	4.20

The financial statements were approved by the Board of Directors and authorised for issue on 28th December 2018. They were signed on its behalf by Richard Boléat and George Baird.

Richard Boléat

Chairman

George Baird

George Baird

Director and Audit & Risk Committee Chairman

The notes on pages 16 to 33 form an integral part of these financial statements.

Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 September 2018

	Notes	Period ended 30 Sept 2018 EUR	Period ended 30 Sept 2017 EUR
INCOME			
Unrealised profit on financial assets at fair value through profit or loss	3.6, 6	**150,558**	**-**
Net gain/(loss) on foreign exchange		**8**	**104**
		150,566	**104**
EXPENSES			
Custodian, secretarial and administration fees		**21,539**	**21,372**
Legal and professional costs		**93,062**	**39,529**
Directors' fees	10	**73,659**	**97,200**
Directors' insurance		**14,098**	**14,737**
Audit expenses		**21,400**	**21,500**
Listing agents fees		**3,597**	**9,184**
Travelling expenses		**-**	**4,255**
Unrealised loss on financial assets at fair value through profit or loss	3.6, 6	**-**	**3,071,372**
Other administrative expenses		**561**	**35,983**
		227,916	**3,315,132**
Total Comprehensive (loss) for the period before tax		**(77,350)**	**(3,315,028)**
Taxation	5	**-**	**-**
Total Comprehensive Income (Loss) attributable to:			
Equity holders of the Company		**(77,350)**	**(3,315,028)**
		(77,350)	**(3,315,028)**
Basic and diluted Profit / (Loss) earnings per share	13	**(0.04)**	**(0.96)**

The notes on pages 16 to 33 form an integral part of these financial statements.

Statement of Changes in Equity

For the period ended 30 September 2018

	Note	EUR
As at 31 March 2017		**28,519,051**
Redemption of shares	7	(10,000,000)
Loss for the year		(9,738,793)
As at 31 March 2018		8,780,258
Loss for the period		(77,350)
As at 30 September 2018		**8,702,908**

The notes on pages 16 to 33 form an integral part of these financial statements.

Statement of Cash Flows

For the period ended 30 September 2018

	Notes	Period ended 30 September 2018 EUR	Period ended 30 September 2017 EUR
Cash flows from operating activities			
(Loss)/ profit for the period before taxation		**(77,350)**	**(3,315,028)**
Adjustments for:			
Unrealised loss/(gain) on fair valuation of financial assets at fair value through profit or loss	6	**(150,558)**	**3,071,372**
Cash used in operations		**(227,908)**	**(243,656)**
Decrease in prepayments and other receivables		**17,696**	**31,038**
Increase/(decrease) in accruals and other payables		**54,144**	**(48,011)**
Net cash used in operating activities		**(155,817)**	**(260,629)**
Net increase/(decrease) in cash and cash equivalents		**(155,817)**	**(260,629)**
Cash and cash equivalents at beginning of the period		**351,764**	**882,183**
Cash and cash equivalents at end of the period		**195,947**	**621,554**

The notes on pages 16 to 33 form an integral part of these financial statements.

Notes to the Financial Statements

1. General information

Yatra Capital Limited (in liquidation) (the "Company") is a limited liability company incorporated and domiciled in Jersey with registered office address at Second Floor, No. 4 The Forum, Grenville Street, St Helier Jersey JE2 4UF.

The Company is governed by the Collective Investment Funds (Jersey) Law 1988, as amended, and the subordinate legislation made thereunder and regulated by the Jersey Financial Services Commission. The purpose of the Company is to enable pooling of funds by investors for investment in K2 Property Limited ("K2") and its subsidiaries.

K2 was incorporated on 19 May 2006 and is domiciled as a limited liability company under the laws of the Republic of Mauritius. K2 holds a category 1 Global Business Licence issued by the Financial Services Commission in Mauritius.

IL&FS Investment Advisors LLC, an investment management company incorporated and domiciled in the Republic of Mauritius (“the Investment Manager”) advises the Company and K2 with respect to its activities. The administration of the Company is undertaken by Citco Jersey Limited.

The Company's ordinary shares are listed and traded on the Euronext Market, under ISIN JE00B1FBT077.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements have been consistently applied to all the periods presented unless otherwise stated and are set out below.

2.1 Basis of preparation

The Unaudited Interim Condensed Consolidated Financial Statements of the Group for the period ended 30 September 2018 have been prepared in accordance with International Accounting Standard (“IAS”) 34: Interim Financial Reporting, as adopted by the European Union together with applicable and regulatory requirements of Companies (Jersey) Law, 1991, and the listing rules of Euronext. The Unaudited Interim Condensed Consolidated Financial Statements give a true and fair view of the Group’s affairs and comply with the requirements of the Companies (Jersey) Law, 1991.

The Unaudited Interim Condensed Consolidated Financial Statements have been prepared under a ‘break-up’ basis and amended to reflect the fact that the going concern assumption is not appropriate. This involves writing assets down to their net realisable value based on conditions existing at the end of the reporting period and providing for contractual commitments which may have become onerous as a consequence of the decision to wind-down the entity.

Under the ‘break-up’ basis, all assets are measured at net realisable value, provisions are made for estimated liquidation costs and all assets have been classified as current.

Notes to the Financial Statements (Continued)

The Directors deem it appropriate to adopt a break-up basis in preparing the Unaudited Interim Consolidated Financial Statements given the fact that the Company was placed in liquidation by its shareholders on 17th September 2018. The Interim Consolidated Financial Statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's Annual Report and Consolidated Financial Statements for the year ended 31 March 2018 ("2018 Annual Report").

The accounting policies adopted in the preparation of the Unaudited Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2018, except for the adoption of new standards effective as of 1 January 2018 as disclosed below.

The Interim Consolidated Financial Statements are presented in Euros and all values are rounded to the nearest Euro, except where otherwise indicated.

The Interim Consolidated Financial Statements have not been audited or reviewed by the Company's auditors.

The Company measures its investments in its subsidiary at fair value through profit or loss. It is the opinion of the directors that this approximates to the net realisable value of the investment.

A qualifying investment entity is required to account for investments in controlled entities as well as investments in associates and joint ventures at fair value through profit or loss; the only exception would be non-investment entity subsidiaries that are considered an extension of the investment entity's investing activities. The consolidation exemption is mandatory for qualifying investment entities.

An investment entity typically has the following characteristics:

- It should have more than one investment. The Company has invested in K2. K2, through its direct and indirect subsidiaries, has invested in multiple Portfolio Companies;
- It should have more than one investor. The Company has multiple investors;
- It should have Investors that are not related parties. With the exception of the Company's directors, none of the Company's investors are, to its knowledge, related parties; and
- It should have ownership interests in the form of equity or similar interests. The Company's ownership interests are in the form of equity.

2.2 New standards and interpretations not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2018 and earlier application is permitted; however, the Company has not early applied the following new or amended standards in preparing these financial statements. New amendments potentially relevant to the Company are discussed below.

Notes to the Financial Statements (Continued)

Summary of significant accounting policies (Continued)

A. IFRS 9 Financial Instruments.

On 24 July 2014, the IASB issued the final IFRS 9 *Financial Instruments* Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement*.

This standard includes changes in the measurement bases of the Company's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. The Directors do not expect IFRS 9 to have to material impact on the Company because financial instruments currently measured at fair value through profit or loss under IAS 39 are designated into this category because they are managed on a fair value basis in accordance with a documented investment strategy. Accordingly, these financial instruments will be mandatorily measured at fair value through profit or loss under IFRS 9. Financial Instruments currently measured at amortised cost (cash balances and receivables) meet the solely principal and interest criterion and will continue to be measured at amortised cost under IFRS 9.

The standard is effective for annual periods beginning on or after 1 January 2018 with retrospective application, early adoption is permitted.

There are no new standards and amendments to standards and interpretations adopted during the period or effective in future periods that have or are expected to have a material impact on the financial statements.

2.3 Foreign currency translation

(a) Functional and presentation currency

For the purposes of the financial statements, the results and financial position of the Company is expressed in Euro, which is the functional currency of the Company. Euro is the functional currency because it is the currency of the primary economic environment in which the Company operates. Euro is the currency in which the majority of the costs of the Company are incurred, capital is realised and dividends are paid.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income. The EUR exchange rate used at the date of Statement of Financial Position for the translation of monetary assets and liabilities denominated in INR was 84.16 (31 March 2018 – 80.62), representing a 4.39 % depreciation in the INR against the EUR over the period. Translation differences on non-monetary financial assets and liabilities re-measured at each reporting date, such as equity instruments classified as financial assets at fair value through profit or loss, are recognised in the Statement of Profit or Loss and Other

Notes to the Financial Statements (Continued)

Summary of significant accounting policies (Continued)

Comprehensive Income within the net gain or loss on financial assets at fair value through profit or loss.

2.4 Financial assets

(a) Classification

The financial assets of the Company are classified as "financial assets at fair value through profit or loss" and "loans and receivables".

K2 is wholly owned by the Company. K2 through its investments in underlying companies invests in joint ventures and associates.

The Company adopted the Investment Entities exemption (Amendments to IFRS 10, IFRS 12 and IAS 27), issued in October 2012, such that all subsidiaries that represent investments shall not be consolidated. The amendments define an investment entity and require a parent that is an investment entity to measure its investments in particular subsidiaries at fair value through profit or loss in accordance with IAS 39 instead of consolidating those subsidiaries in its consolidated financial statements. Accordingly, the principles of consolidation under IFRS 10 are not applicable to the Company for the period ended 30 September 2018.

Financial assets designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed and their performance evaluated on a fair value basis in accordance with the Company's documented investment strategy. The Company's policy is for the Investment Manager and the Board to evaluate the information about these financial assets on a fair value basis together with other related financial information.

The Board, as advised by the Investment Manager, has taken an appropriate classification of investments at the time of purchase and re-evaluates the classification on a regular basis.

Loans and receivables of the Company include cash and cash equivalents and other receivables.

(b) Recognition/de-recognition

Purchases and sales of investments are recognised on the "trade date" – the date on which the Company contracts to purchase or sell the investment. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. Realised gains/losses are calculated as the difference between the disposal value of its investment in K2 and the cost of the investment.

(c) Measurement

Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit or Loss and Other Comprehensive Income. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value.

Notes to the Financial Statements (Continued)

Summary of significant accounting policies (Continued)

Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are recognized in profit or loss of the Statement of Profit or Loss and Other Comprehensive Income in the period in which they arise.

(*d*) *Fair value estimation*

'Fair Value' is a price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The fair value of financial instruments traded on an active market is based on the closing quoted market prices at the reporting date. The fair value of financial instruments that are not traded in an active market are determined by using valuation techniques.

The Company has adopted the investment entity exemption under IFRS 10 and records the adjusted net asset value of its direct subsidiary as the fair value of its investment in its direct subsidiary.

In determining the fair value of financial instruments in K2, and in turn the Portfolio Companies where K2 has contracted exits, which is considered as the fair value of the investment in that Portfolio Company.

The Directors have considered the estimated the net realizable value of the Company's investment in K2 in the context of the pending liquidation of the Company and consider the carrying amount of the investments to represent a reasonable approximation of the value that will be realised on redemption.

2.5 Loans and receivables

Loans and receivables of the Company include cash and cash equivalents and other receivables.

A provision for impairment of amounts due from counterparties is established when there is objective evidence that the Company will not be able to collect all amounts due from the relevant counterparty.

2.6 Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short-term, highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.7 Accruals and other payables

Accruals and other payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

Notes to the Financial Statements (Continued)

Summary of significant accounting policies (Continued)

2.8 Stated capital

Ordinary shares are classified as equity. Ordinary shares which were bought back and recorded as treasury shares have been cancelled. Ordinary shares bought back by the Company via its tender mechanism and compulsory redemption have also been cancelled.

2.9 Realised / Unrealised gain / (loss) on financial assets at fair value through profit or loss

The realised gain / (loss) from financial assets at fair value through profit or loss (FVTPL) represents the difference between the transaction price and its sale or settlement price.

The unrealised gain / (loss) represents the difference between the carrying amount of a financial instrument at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the period.

2.10 Transaction costs

Transaction costs are costs incurred to acquire financial assets at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the Statement of Profit or Loss and Other Comprehensive Income as an expense.

2.11 Expenses

All expenses are recognized in the Statement of Profit or Loss and Other Comprehensive Income on an accrual basis.

2.12 Financial instruments

Financial instruments carried in the Statement of Financial Position include financial assets at fair value through profit or loss and other receivables, cash at bank, accruals and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. Disclosures regarding financial instruments to which the Company is a party are provided in Note 3.

2.13 Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from equity. Treasury shares are not held for sale or subsequent reissue and are cancelled.

2.14 Related parties

Related parties are both natural and legal persons where the person has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Notes to the Financial Statements (Continued)

Summary of significant accounting policies (Continued)

2.15 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is a group of assets and operations engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments. The Company, through K2 and its subsidiaries, holds interests in receivable balances from entities in India, being a single reportable geographical segment having an economic environment that is subject to risks and returns which are different from geographical segments operating in other economic environments.

The chief operating decision maker ("CODM") in relation to the Company is deemed to be the Board of the Company itself. The factor used to identify the Company's reportable segments is geographical area. Based on the above and a review of information prepared on an IFRS basis which provided to the Board, it has been concluded that the Company is currently organised into one reportable segment; India.

Operating segments

The Company has only one reportable operating segment and the performance of this segment accounts for the performance of the Company as a whole. Other than cash and cash equivalents and related interest and charges, the results of the Company are deemed to be generated in India.

2.16 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 Financial risk management

3.1 Strategy in using financial instruments

The Board has overall responsibility for the determination of the Company’s risk management objectives and policies. The Company’s overall risk management policy focuses on management of risk at the Portfolio Company level and above and particularly seeks to minimize potential adverse effects on the Company’s financial performance, flexibility and liquidity.

The Company’s activities expose it to a variety of financial risks, the principal risks being credit risk, liquidity risk, and market risk (including foreign currency risk). The Company’s financial instruments

Notes to the Financial Statements (Continued)

Financial risk management (Continued)

comprise of financial assets at fair value through profit or loss, cash and cash equivalents and other items such as prepayments and other receivables, accruals and other payables which arise from its operations.

This note presents information about the Company's exposure to each of the above risks, the Board's objectives, policies and processes for measuring and managing risk and management of capital. Further quantitative disclosures are included throughout these financial statements. The Company held no derivative instruments as at 30 September 2018 (31 March 2018 - Nil). A summary of the main risks is set out below:

3.2 Market risk

The Company is exposed to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market values. Market risks also arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, foreign exchange rates and equity prices.

(a) Cash flow and interest rate risk

Interest rate risk arises from the effect of fluctuations in the prevailing levels of market interest rates on the fair value of financial instruments and future cash flow. The Company's cash flow is monitored at regular intervals by the Board. As at 30 September 2018 , the Company did not have significant interest bearing financial instruments; therefore the Company is not exposed to significant cash flow interest rate risk.

(b) Foreign currency risk

Foreign currency risk arises when future transactions or recognised monetary assets and monetary liabilities are denominated in a currency other than the Company's functional currency. The Company's significant monetary assets and liabilities are held in EUR, hence the Company is not directly exposed to foreign currency risk on its monetary assets and liabilities.

The Company, through K2 and its investments in underlying companies, holds both monetary and non-monetary assets and liabilities denominated in currencies other than the EUR, the functional currency. It is therefore indirectly exposed to foreign currency risk. However, the Company monitors the exposure on all foreign currency denominated financial assets and liabilities.

The Company has in place a policy that requires it to keep under review its foreign currency risk against the functional currency. Forward contracts may be used on a transaction by transaction basis with a view to hedging foreign currency exposure. The Company will continue to monitor foreign currency risk and the need for hedging transactions. During the period under review, no foreign currency hedging transactions took place, and the Company continues to have fully unhedged indirect INR exposures comprising substantially all of the Company's financial assets at fair value through profit or loss. The table below summarises the Company's financial assets and liabilities, monetary and non-monetary, which are denominated in a currency other than the EUR:

Notes to the Financial Statements (Continued)

Financial risk management (Continued)

	30 September 2018		31 March 2018	
Company	INR	GBP	INR	GBP
Liabilities				
Monetary liabilities	-	-	974	-

The table below summarises the sensitivity of the Company's monetary and non-monetary assets and liabilities to changes in foreign currency movements at 30 September 2018. The analysis is based on the assumptions that the relevant foreign exchange rate appreciated/depreciated against the EUR by the percentage disclosed in the table below, with all other variables held constant. This represents the directors' best estimates of a reasonable possible shift in the foreign exchange rates, having regard to the historical volatility of those rates. There are no monetary and non-monetary assets determined other than in EUR.

	Reasonably possible shift in rate 30 September 2018		Reasonably possible shift in rate 31 March 2018	
Company	%	EUR	%	EUR
Currency				
GBP				
- Monetary liabilities	+15%/(15 %)	-	+15 %/(15 %)	-
INR				
- Monetary liabilities	+ 15 %/(15 %)	-	+15 %/(15 %)	828/1,120

3.3 Credit risk

Credit risk arises when a failure by a counterparty to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company's policy is to maintain cash balances and short term deposits with a reputable banking institution and to monitor the placement of cash and deposit balances on an ongoing basis. As at 30 September 2018, all cash balances were placed with Barclays Bank Plc which had a long term credit rating of "A / Stable" from Standard and Poor's.

The Company's credit risk also arises in respect of other receivables. The Board has considered the recoverability of these balances and does not consider the risk of failing to recover these amounts to be significant. Additionally, before the Company enters into transactions with another party, it makes an assessment of the creditworthiness of that party.

Notes to the Financial Statements (Continued)

Financial risk management (Continued)

The Company's credit risk also arises in respect of receivables pertaining to contracted exit cash flows for investments held directly or indirectly by K2. The Board reviews this risk of contracted receivables on a regular basis and has put in place a regular impairment mechanism for assessing this risk as mentioned in note 3.6 of the financial statements.

3.4 Counterparty risk

Counterparty risk is defined as the current and prospective risk to earnings or capital arising from a counterparty's failure to meet the terms of any obligation to the Company or otherwise to perform as agreed. Counterparty risk arises when funds are extended, committed, invested, or otherwise exposed through actual or implied contractual agreements. Indirect counterparty risk to the Company arises primarily from the ability and willingness of the joint venture partners or purchasers of its assets sold by K2's Portfolio Companies to honour the contracted exit values at the specified timelines.

A failure by a constituent member of this commercial counterparty group to perform as agreed could lead to a material negative impact on the Company's financial asset at fair value through profit or loss. The Investment Manager seeks to ensure that counterparty risk is mitigated by way of continuous monitoring of credit counterparties. Identified risks are escalated and actions taken as necessary.

3.5 Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can do so only on terms that are materially disadvantageous. As a policy, the Company minimises these risks by maintaining sufficient cash to meet all anticipated future payment obligations.

At 30 September 2018, the Company had sufficient liquid financial assets to meet its current financial obligations. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings at the financial position date.

	Due - less than 12 months		Due - more than 12 months	
Details	**30 September 2018 EUR**	**31 March 2018 EUR**	**30 September 2018 EUR**	**31 March 2018 EUR**
Accruals and other payables	427,238	372,843	-	-
Total payable	**427,238**	**372,843**	**-**	**-**

On the basis of the above, the Board considers that the company has no significant liquidity risk.

Notes to the Financial Statements (Continued)

Financial risk management (Continued)

3.6 Fair values

The carrying amount of other receivables, cash and cash equivalents and accruals and other payables approximate their fair values. The financial assets at fair value through profit or loss represent the fair value of the Company's investment in K2. The fair value of the Company's investment in K2 approximates to its realisable value.

The fair values of financial assets at fair value through profit or loss that are not traded in an active market are determined by using valuation techniques. The techniques used by the Company are explained in Note 4.1 below.

For the purpose of these financial statements the Company determines the fair value of its investment in K2 based on the net asset value (NAV) of K2 in its latest available unaudited financial statements. The directors review these details and consider, among other things, the following factors: (a) the net asset valuation; (b) the value date of the net asset value provided; and (c) the basis of accounting. When deemed necessary, adjustments to the NAV for relevant factors, such as liquidity and/or credit risks, are made to obtain the best estimate of fair value. As at the reporting date, the Board and the Investment Manager believe that the NAV of K2 as per its 30 September 2018 unaudited financial statements is representative of the fair value of the Company's investment in K2, and also representative of its realisable value.

The table below sets out information about significant unobservable inputs used as at 30 September 2018 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	Amount (EUR)	Valuation technique	Unobservable inputs	Range
As at 30 September 2018				
Unquoted investment	8,925,709	NAV	NAV of K2	NA
As at 31 March 2018				
Unquoted investment	8,775,151	NAV	NAV of K2	NA

The net asset value of the Company is sensitive to the fair value of K2.

IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 inputs are inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

Notes to the Financial Statements (Continued)

Financial risk management (Continued)

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustments based on unobservable inputs, that measurement is a level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the related market. The following table analyses within the fair value hierarchy of the Company's financial assets measured at fair value:

Assets	**Level 1**	**Level 2**	**Level 3**	**Total Balance**
30 September 2018	**EUR**	**EUR**	**EUR**	**EUR**
Financial assets designated at fair value through profit or loss (Current)	-	-	8,925,709	8,925,709
Total	-	-	**8,925,709**	**8,925,709**
31 March 2018				
Financial assets designated at fair value through profit or loss (Current)	-	-	8,775,151	8,775,151
Total	-	-	**8,775,151**	**8,775,151**

There has been no transfer between levels during the period ended 30 September 2018 (31 March 2018 – Nil). The changes in the financial assets at fair value through profit or loss classified at level 3 are as follows:

	30 September 2018	**31 March 2018**
	EUR	**EUR**
Balance as at 1 April	**8,775,151**	**27,741,975**
Redemption of shares	-	(10,000,000)
Realised gain/(loss) on financial assets at fair value through profit or loss	-	44
Unrealised gain/(loss) on financial assets at fair value through profit or loss	150,558	(8,966,868)
Balance as at period ended	**8,925,709**	**8,775,151**

Transfers between levels of the fair value hierarchy, if any, are deemed to have occurred at the end of the reporting period.

The Company, through K2 and its investments in underlying companies, has invested in unquoted shares in the Portfolio Companies.

The investment in the remaining two Portfolio Companies where exits have been contracted have been valued using estimated cash flows based on the definitive legal documentation entered into for exit from these investments, and adjusted for any other relevant factors.

Notes to the Financial Statements (Continued)

Financial risk management (Continued)

The table below provides a sensitivity analysis showing the impact on the fair value of the contracted exits in the event of a reasonably possible change in the probability of recovering the proceeds of the Saket exit amounts respectively:

Significant unobservable inputs	30 September 2018 Movements	31 March 2018 Movements
	EUR mn	EUR mn
Increase in probability *	N/A	0.11
Decrease in probability *	N/A	(0.78)

* This is based on a +/- 10% change in probability of recovering the proceeds of the exit amounts from Saket Engineers Private Limited.

The table below provides a sensitivity analysis showing the impact on the fair value of the contracted exits in the in the reasonably possible event the proceeds are received one month earlier or are delayed by three months:

Significant unobservable inputs	30 September 2018 Movements	31 March 2018 Movements
	EUR mn	EUR mn
1 month earlier	N/A	0.08
3 months delay	N/A	(0.27)

3.7 Financial instrument by category

The following is the table of the Company's financial assets:

30 September 2018 Non-current and current assets	**Loans and receivables EUR**	**Financial assets at fair value through profit or loss EUR**	**Total EUR**
Financial assets at fair value through profit or loss (Current)	-	8,925,709	8,925,709
Cash and cash equivalents	195,947	-	195,947
Total	**195,947**	**8,925,709**	**9,121,656**
31 March 2018 Non-current and current assets			
Financial assets at fair value through profit or loss (Current)	-	8,775,151	8,775,151
Cash and cash equivalents	351,764	-	351,764
Total	**351,764**	**8,775,151**	**9,126,915**

Notes to the Financial Statements (Continued)

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

4 Critical accounting estimates and judgements

4.1 Critical accounting estimates and assumptions

As part of its ongoing business, the Company, through the Board, makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are outlined below.

Fair value of financial assets at fair value through profit or loss

Portfolio Companies with contracted exits

For investments in Portfolio Companies held by K2 and its underlying companies as at 30 September 2018 and 31 March 2018, where a definitive full or phased exit has been agreed, the fair value has been determined as the value of the contracted exit cash flows, adjusted for any other relevant factors.

4.2 Critical judgements

Functional currency and going concern

The Board considers the determination of the Company's investment entity status, functional currency and going concern statement to be areas requiring significant judgement as discussed in note 2.3 (a),2.4(a) and 2.1 respectively.

Investment entity exemption

As explained in note 2.4(a), the Board of Directors has concluded that the Company met the definition of an Investment Entity. As a result, the Company measures its investments in its subsidiary at fair value through profit or loss.

5 Taxation

5.1 Current tax – Jersey

The Company is domiciled in Jersey, Channel Islands. Any profits arising in the Company are subject to tax at the rate of 0% (2018: 0%).

Notes to the Financial Statements (Continued)

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

6 Financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss are as follows:

Company	EUR
As at 31 March 2017	**27,741,975**
Realised gain on financial assets at fair value through profit or loss	**44**
Unrealised loss on financial assets at fair value through profit or loss	**(8,966,868)**
Redemption of shares	**(10,000,000)**
As at 31 March 2018	**8,775,151**
Unrealised profit on financial assets at fair value through profit or loss	**150,558**
As at 30 September 2018	**8,925,709**

All the Company's financial assets are classified under current assets as they that are expected to be realised within a period of less than 12 months.

A list of the significant direct investments, including the name, principal activity, country of incorporation and the proportion of ownership interest is given below:

Direct investment

Name of subsidiary	Principal Activity	Country of incorporation	Class of share	Percentage held by the Company
K2 Property Limited	Investment holding	Mauritius	Ordinary Class A and B	100%

K2 has a finite life of 15 years ending in 2020, which can be extended by the Board of Directors of K2 by two successive terms each of one year. Class A and Class B shares are redeemable at the option of K2.

Notes to the Financial Statements (Continued)

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

As at 30 September 2018, the Company held 681,057 (March 2018 – 681,057) Class A shares and 927,298 (March 2018 – 927,298) Class B shares of K2. The nominal share capital of 75,000 Class C and 25,000 Class D shares is USD 1,000. These Class C and D shares are held by IFS Trustees (as Trustee of Saffron Investment Trust) hereinafter referred to as Advisor Shareholders. All the shares have a par value of USD 0.01 each.

Indirect holding companies

Name of subsidiaries	Principal Activity	Country of incorporation	Class of share	Percentage held indirectly by The Company
K2 Private Equity Limited	Investment Holding	Mauritius	Ordinary	100%
K2 Hospitality Limited*	Investment Holding	Mauritius	Ordinary	100%
K2 Residential Limited	Investment Holding	Mauritius	Ordinary	100%
K2 Commercial Limited*	Investment Holding	Mauritius	Ordinary	100%
K2C Residential Limited	Investment Holding	Mauritius	Ordinary	100%
K2A Private Equity Limited	Investment Holding	Mauritius	Ordinary	100%
K2A Hospitality Limited*	Investment Holding	Mauritius	Ordinary	100%
K2C Hospitality Limited*	Investment Holding	Mauritius	Ordinary	100%
K2A Residential Limited	Investment Holding	Mauritius	Ordinary	100%
K2E Residential Limited*	Investment Holding	Mauritius	Ordinary	100%
K2B Commercial Limited*	Investment Holding	Mauritius	Ordinary	100%
Mildren Holding Limited	Investment Holding	Cyprus	Ordinary	100%

* These companies are currently under liquidation.

7 Stated capital

Authorised and issued stated capital

	Number of ordinary shares of no par value	Stated Capital EUR	Total EUR
As at 31 March 2017	**3,465,217**	**125,457,092**	**125,457,092**
Shares redeemed during the year (12 December 2017)	**(1,375,516)**	**(10,000,000)**	**(10,000,000)**
As at 31 March 2018	**2,089,701**	**115,457,092**	**115,457,092**
Shares redeemed during the period	-	-	-
As at 30 September 2018	**2,089,701**	**115,457,092**	**115,457,092**

All issued ordinary shares of the Company are fully paid and have been admitted to the official list of Euronext. The Company's capital is represented by these ordinary shares, each of which carries one vote and has full entitlement to dividends when declared. The Company has no restrictions or specific capital requirements on the issue and re-purchase of ordinary shares. The relevant movements in capital are shown in the statement of changes in equity. In accordance with the objectives outlined in Note 1 and the risk management policies in Note 3, the Company endeavours to invest the proceeds from the issue of ordinary shares in appropriate investments while maintaining sufficient liquidity to meet its working capital and investment needs on an ongoing basis, such liquidity being augmented by short-term borrowings or disposal of investments where necessary. The stated capital represents an amount collected from investors towards issue of no par value shares comprising both the initial public offer and the follow on public offer. It may be utilised when the Company buys back its own shares or redeem the previously issued shares.

8 Accruals and other payables

	30 September 2018 EUR	**31 March 2018 EUR**
Amount due to related parties	-	15,000
Other payables	-	977
Accruals	427,238	356,866
Total	**427,238**	**372,843**

The accruals are based on the directors' estimate of future operating costs and the relevant quotes received from the service providers in connection with the liquidation of the Company.

9 Dividends payable

No dividend was paid during the period ended 30 September 2018 (31 March 2018 - Nil).

10 Related party transactions

The Company entered into transactions with related parties in respect of directors' remuneration and expenses, annual fees and amount payable to the Investment Manager and payable to K2 as set out below:

Directors' interests
Directors' interests in the shares of the Company is as disclosed in the Directors' report on Page 5.

Directors' remuneration and expenses
The total remuneration paid to Directors who are related parties (being all the directors of the Company) for the period was EUR 73,659 (30 September 2017 – EUR 97,200).

The amount payable to the Directors towards reimbursement of travelling expenses as at 30 September 2018 was Nil (31 March 2018 – Nil).

Annual fee, amount receivable from and payable to Investment Manager and K2

The fee to the Investment manager as at 30 September 2018 was EUR 9,375 (30 September 2017 – EUR 15,000)

At the period end, the amount receivable directly by the Company from the Investment Manager was Nil (31 March 2018 – Nil).

At the period end, the amount payable directly by the Company to the Investment Manager was EUR 24,375 (31 March 2018 – EUR 15,000). Amount payable to K2 is EUR 16,744 (31 March 2018 – EUR Nil).

Notes to the Financial Statements (Continued)

11 Ultimate controlling party

In the opinion of directors, there is no party who meets the definition of Ultimate Controlling Party.

12 Capital and other commitments

The Company has no capital commitments as at 30 September 2018 (31 March 2018 – Nil).

13 Earnings/ (Loss) per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) attributable to the Company's equity holders by the weighted average number of ordinary shares in issue during the period.

	30 September 2018 EUR	**30 September 2017 EUR**
(Loss)/profit attributable to equity holders of the Company	**(77,350)**	**(3,315,028)**
Weighted average number of ordinary shares in issue	**2,089,701**	**3,465,217**
Basic and diluted earnings / (loss) per share	**(0.04)**	**(0.96)**

Reconciliation between the number of ordinary shares in issue and the weighted average number of ordinary shares

	30 September 2018 EUR	**30 September 2017 EUR**
Number of ordinary shares in issue at the beginning of the period	**2,089,701**	**3,465,217**
Ordinary shares in issue at the end of the period	**2,089,701**	**3,465,217**
Weighted average numbers	**2,089,701**	**3,465,217**

The Company has not issued any other shares or instruments that are considered to have dilutive potential.

14 Net asset value per share

	30 September 2018 EUR	**31 March 2018 EUR**
Net assets	8,702,908	8,780,258
Number of ordinary shares in issue	2,089,701	2,089,701
Net asset value per share	**4.16**	**4.20**

15 Subsequent Events

No Subsequent Events

Yatra Capital

Corporate Information

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Investment Manager to K2 and service provider to Yatra

IL& FS Investment Advisors LLC
IFS Court, Twenty Eight
Cybercity, Ebene
Mauritius

Independent Auditor:

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YATRA CAPITAL

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INVESTMENT MANAGER

IL&FS | IL&FS Investment Advisors LLC