

**FINANCIAL STATEMENTS AS AT MARCH 31, 2011  
 CONVERTED TO INDIAN RUPEES  
 YEW TREE INVESTMENTS LIMITED**

**Profit and Loss Account  
 for the year ended 31 March 2011**

	Notes	2011 GBP	2011 INR	2010 GBP	2010 INR
Other operating income		105,900	7,542,717	105,900	8,069,395
Administrative expenses		(35,228)	(2,509,111)	(21,620)	(1,647,406)
<b>Operating profit before exceptional item</b>	2	<b>70,672</b>	<b>5,033,606</b>	<b>84,280</b>	<b>6,421,989</b>
Profit on disposal of property	3	-	-	-	-
Income from shares in group undertakings		1,105,000	78,703,515	694,623	52,929,057
Interest receivable		-	-	-	-
Interest payable and similar charges	5	-	-	-	-
<b>Profit on ordinary activities before taxation</b>		<b>1,175,672</b>	<b>83,737,121</b>	<b>778,903</b>	<b>59,351,046</b>
Tax (charge)/credit on profit on ordinary activities	6	(33,615)	(2,394,225)	(23,598)	(1,798,126)
<b>Profit /(loss) for the financial year</b>		<b>1,142,057</b>	<b>81,342,896</b>	<b>755,305</b>	<b>57,552,920</b>

All activities of the Company are classed as continuing.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The Company has not recognised gains and losses other than the profits reported above, hence no separate statement of the total recognised gains and losses has been presented.

<b>Note: Rates used for conversion</b>	<b>31-Mar-11</b>	<b>31-Mar-10</b>
Balance Sheet	72.8477	67.8685
Profit & Loss Account	71.2249	76.1983

**YEW TREE INVESTMENTS LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2011**

	Notes	2011 GBP	2011 INR	2010 GBP	2010 INR
<b>Fixed Assets</b>					
Intangible assets	8	1,595,777	116,248,684	710,420	48,215,139
Investments	9	2	146	2	136
		<u>1,595,779</u>	<u>116,248,830</u>	<u>710,422</u>	<u>48,215,275</u>
<b>Current Assets</b>					
Debtors	10	49,284	3,590,226	1,031,516	70,007,444
Cash at bank		20,952	1,526,305	24,323	1,650,766
		<u>70,236</u>	<u>5,116,531</u>	<u>1,055,839</u>	<u>71,658,210</u>
Creditors: amounts falling due within one year	11	(29,760)	(2,167,947)	(424,857)	(28,834,407)
<b>Net Current assets</b>		<u>40,476</u>	<u>2,948,584</u>	<u>630,982</u>	<u>42,823,803</u>
<b>Net Assets</b>		<u>1,636,255</u>	<u>119,197,414</u>	<u>1,341,404</u>	<u>91,039,078</u>
<b>Capital and reserves</b>					
All activities of the Company are classed as continuing	12	100	7,285	100	6,787
<b>Revaluation Reserve</b>		912,601	66,480,884	-	-
Profit and loss account	13	723,554	52,709,245	1,341,304	91,032,291
<b>Equity shareholders' funds</b>	14	<u>1,636,255</u>	<u>119,197,414</u>	<u>1,341,404</u>	<u>91,039,078</u>

These financial statements were approved by the board of directors and were signed on its behalf by:

RK Lawton  
Director

Company registered number : 3079538

**Notes**  
**(forming part of the financial statements)**

**1 Accounting policies**  
**Basis of accounting**

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

**Tangible Fixed Assets**

All fixed assets are held at cost and depreciation is calculated to write off the cost of these items over their estimated useful lives at the following rates. Fixed assets comprise of commercial land and buildings which were depreciated at;

Building - 2.60%

No depreciation is provided for freehold land.

**Operating lease agreements**

Rental income applicable to operating leases is credited on a straight line basis over the period of the lease. Rental income is derived from leasing the factory property to Oldland Aerospace Limited, a subsidiary company until 31st October 2010 when the lease was transferred to the new parent company Dynamatic Limited.

**Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

All activities of the Company are classed as continuing.

**Related party transactions**

As the Company is a wholly owned subsidiary within a group that prepares consolidated financial statements, the company has taken advantage of the exemption from disclosing transactions with group entities under FRS 8.

**Cash flow statement**

Under FRS1, the Group company and company are exempt from the requirement to prepare a cashflow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

**Consolidation**

The financial statements contain information about Yew Tree Investments Limited as an individual company and do contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in the consolidated financial statements of its parent Dynamatic Limited, a company registered in England and Wales.

**YEW TREE INVESTMENTS LIMITED**

Notes ( Continued)

**2 Operating Profit/(loss)**

Operating profit /(loss) is stated after charging /( crediting):

	<b>2011</b>	<b>2011</b>	<b>2010</b>	<b>2010</b>
	<b>GBP</b>	<b>INR</b>	<b>GBP</b>	<b>INR</b>
Depreciation on owned assets	27,244	1,940,451	16,946	1,291,256
Rentals receivable under operating leases	105,900	7,542,717	105,900	8,069,395
Auditors' remuneration				
-audit fees	2,000	142,450	2,000	152,397
-others	1,435	102,208	1,000	76,198

**3 Exceptional items**

There were no exceptional items during the year

**4 Directors' emoluments**

	<b>2,011</b>	<b>2,011</b>	<b>2,010</b>	<b>2,010</b>
	<b>GBP</b>	<b>INR</b>	<b>GBP</b>	<b>INR</b>
Aggregate emoluments	-	-	-	-

No Directors were accruing benefits under a defined contribution pension scheme. (2010: none)

The emoluments of directors in the current year were paid by the ultimate parent undertaking.

All activities of the Company are classed as continuing.

**5 Interest payable and similar charges**

	<b>2,011</b>	<b>2,011</b>	<b>2,010</b>	<b>2,010</b>
	<b>GBP</b>	<b>INR</b>	<b>GBP</b>	<b>INR</b>
Loan interest payable	-	-	-	-

**6 Profit on ordinary activities before taxation**

Analysis of charge in the year

	<b>2011</b>	<b>2011</b>	<b>2010</b>	<b>2010</b>
	<b>GBP</b>	<b>INR</b>	<b>GBP</b>	<b>INR</b>
<b>Current tax</b>				
In respect of the year:				
UK corporation tax at 28% on profit (2010:28%) on profit	33,615	2,394,225	23,598	1,798,126
Total current tax	33,615	2,394,225	23,598	1,798,126

Factors affecting tax charge for the period

The tax assessed on the profit on ordinary activities for the year is higher(2010: higher) than the Standard rate of corporation tax in UK of 28% ( 2010: 28%)

	<b>2011</b>	<b>2011</b>	<b>2010</b>	<b>2010</b>
	<b>GBP</b>	<b>INR</b>	<b>GBP</b>	<b>INR</b>
<b>Profit /(Loss) before taxation</b>	1,175,672	83,737,121	778,903	59,351,046
Profit/( Loss)profit on ordinary activities by rate of tax 28% ( 2010: 28%)	329,188	23,446,382	218,092	16,618,228
Permanent differences	7,826	557,406	-	-
Tax rate adjustment	(2,999)	(213,603)	-	-
Adjustment to prior year	9,000	641,024	-	-
Income tax not subjected to tax	(309,400)	(22,036,984)	(194,494)	(14,820,102)
<b>Total current tax charge for the year</b>	<b>33,615</b>	<b>2,394,225</b>	<b>23,598</b>	<b>1,798,126</b>

**7 Dividends**

	<b>2,011 GBP</b>	<b>2,011 INR</b>	<b>2,010 GBP</b>	<b>2,010 INR</b>
Dividend paid on ordinary shares	1,105,000	78,703,515	694,623	52,929,057

**8 Tangible fixed assets****Cost and Valuation**

At the beginning of and end of year	869,955	63,374,221		
Property Revaluation	912,601	66,480,884		
At 31 March 2011	1,782,556	129,855,105		

**Depreciation**

At the beginning of the year	159,535	11,621,758		
Charge for year	27,244	1,984,663		
At 31 March 2011	186,779	13,606,421		

**Net Book Value**

At 31 March 2011	1,595,777	116,248,684		
At 31 March 2010	710,420	48,215,139		

**9 Investments**

a) Investments in subsidiary companies  
Yew Tree Investments owns 100% of Oldland Aerospace Limited,  
a dormant company registered in England.

	<b>2011 GBP</b>	<b>2011 INR</b>	<b>2010 GBP</b>	<b>2010 INR</b>
<b>Cost and net book value</b>				
At the beginning and end of year	2	146	2	136

**10 Debtors**

	<b>2011 GBP</b>	<b>2011 INR</b>	<b>2010 GBP</b>	<b>2010 INR</b>
Other debtors	2,038	148,464	2,038	138,316
Prepayments and accrued income	2,663	193,993	2,663	180,734
Amounts owed by group companies	44,583	3,247,769	1,026,815	69,688,394
	49,284	3,590,226	1,031,516	70,007,444

**11 Creditors: amounts falling due within one year**

	<b>2011 GBP</b>	<b>2011 INR</b>	<b>2010 GBP</b>	<b>2010 INR</b>
Amount owed to group companies	-	-	401,064	27,219,612
Corporation tax	18,000	1,311,259	9,304	631,449
Other taxation and social security	9,477	690,378	10,317	700,199
Accruals and deferred income	2,283	166,310	4,172	283,147
	29,760	2,167,947	424,857	28,834,407

**12 Share capital**

	<b>2011</b>	<b>2011</b>	<b>2011</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>
	<b>Nos</b>	<b>GBP</b>	<b>INR</b>	<b>Nos</b>	<b>GBP</b>	<b>INR</b>
<b>Allotted, called up and fully paid up</b>						
Ordinary shares of GBP 1/- each	100	100	7,285	100	100	6,787

**13 Profit and loss reserve**

	<b>2,011</b>	<b>2,011</b>	<b>2,010</b>	<b>2,010</b>
	<b>GBP</b>	<b>INR</b>	<b>GBP</b>	<b>INR</b>
Balance brought forward	1,341,304	97,710,911	1,280,622	86,913,894
Profit for the year	1,142,057	83,196,227	755,305	51,261,418
Dividends on shares classified in shareholder's funds	(1,105,000)	(80,496,709)	(694,623)	(47,143,021)
Net Inter Company debt forgiven	(654,807)	(47,701,184)	-	-
Balance Carried forward	<u>723,554</u>	<u>52,709,245</u>	<u>1,341,304</u>	<u>91,032,291</u>

**14 Reconciliation of movement in shareholder's funds**

	<b>2011</b>	<b>2011</b>	<b>2011</b>	<b>2010</b>
	<b>GBP</b>	<b>INR</b>	<b>GBP</b>	<b>INR</b>
Profit /(loss) for the year	1,142,057	83,196,227	755,305	51,261,417
Dividends on shares classified in shareholder's funds	(1,105,000)	(80,496,709)	(694,623)	(47,143,021)
Net Intercompany debt forgiven	(654,807)	(47,701,184)	-	-
Freehold property revaluation reserve	912,601	66,480,884		
Net addition (reduction) in shareholder's funds	<u>294,851</u>	<u>21,479,218</u>	<u>60,682</u>	<u>4,118,396</u>
Opening shareholders' funds	1,341,404	97,718,196	1,280,722	86,920,682
Closing shareholder funds	<u>1,636,255</u>	<u>119,197,414</u>	<u>1,341,404</u>	<u>91,039,078</u>

**15 Ultimate controlling party**

The Company's immediate controlling party is Dynamatic Limited, a company incorporated in England and Wales.

The Company's ultimate controlling party is Dynamatic Technologies Limited, a company incorporated in India.

Copies of Dynamatic Technologies Limited annual report and financial statements are available from  
Dynamatic Park, No. 11, Peenya, Bangalore 560 058, India