Deepmala Infrastructure Private Ltd.

CIN: U45201MH2007PTC174676

Audited Statement of Assets and Liabilities as at March 31, 2017

(Amounts in Rs.)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at October 1, 2014
ASSETS				
NON-CURRENT ASSETS				
(a) Property, plant and equipment	2	17,04,200	38,41,672	36,38,920
(b) Capital work-in-progress		-	-	-
(c) Intangible Asset		-	-	-
(d) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivable		-	-	-
(iii) Loans	3	25,43,326	25,43,326	10,19,071
(iv) Others	4	-	-	-
(e) Deferred tax assets (net)		-	-	-
(f) Other non-current assets	5	93,07,039	55,75,640	25,69,032
TOTAL NON-CURRENT ASSETS		**1,35,54,626**	**1,18,60,638**	**72,27,023**
CURRENT ASSETS				
(a) Inventories	6	10,68,54,07,040	9,91,46,31,623	7,81,85,48,211
(b) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents	7	7,91,10,489	19,29,81,061	21,04,31,408
(iv) Bank balances		-	-	-
(v) Loans	3	64,69,50,097	55,41,48,775	29,01,56,664
(vi) Others	4	21,35,13,686	11,45,13,202	2,21,54,108
(c) Current tax assets (net)		3,63,875	-	-
(d) Other current assets	5	3,14,55,176	2,13,73,391	3,13,85,956
TOTAL CURRENT ASSETS		**11,65,67,90,363**	**10,79,76,48,052**	**8,37,26,76,347**
TOTAL ASSETS		**11,67,03,44,989**	**10,80,96,08,690**	**8,37,99,03,370**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	8	1,00,000	1,00,000	1,00,000
(b) Other equity	9	(83,81,254)	1,60,60,682	(7,36,625)
TOTAL EQUITY		**(82,81,254)**	**1,61,60,682**	**(6,36,625)**
LIABILITIES				
NON-CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	10	3,99,61,21,019	1,22,51,25,000	2,39,55,70,289
(ii) Trade payables	11	8,66,76,550	7,54,20,823	2,02,13,414
(iii) Other financial liabilities		-	-	-
(b) Provisions		-	-	-
(c) Deferred tax liabilities (net)		-	-	-
(d) Other non-current liabilities	12	1,64,36,39,434	1,65,99,26,357	64,42,08,656
TOTAL NON-CURRENT LIABILITIES		**5,72,64,37,003**	**2,96,04,72,180**	**3,05,99,92,359**
CURRENT LIABILITIES				
(a) Financial liabilities				
(i) Borrowings	13	3,73,66,20,624	5,07,32,38,065	4,34,15,66,416
(ii) Trade payables	14	34,14,75,165	22,18,73,911	13,76,74,170
(iii) Other financial liabilities	15	1,87,25,98,934	2,53,38,79,776	82,73,86,654
(b) Other current liabilities	16	14,94,517	39,84,076	1,40,30,396
(c) Provisions		-	-	-
(d) Current tax liabilities (net)		-	-	-
TOTAL CURRENT LIABILITIES		**5,95,21,89,240**	**7,83,29,75,828**	**5,32,05,47,636**
TOTAL EQUITY AND LIABILITIES		**11,67,03,44,989**	**10,80,96,08,690**	**8,37,99,03,370**

Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements

As Per Our Attached Report of Even Date
For Vishal Paliwal & Associates.
Chartered Accountants
FRN: 011145C

Vishal Paliwal & Associates
INDORE
Chartered Accountants

CA Jay[illegible] Nenwani
Partner
M.No. 411175

For and on behalf of the Board of Directors

Chayan Bhattacharjee
Director
DIN : 00107640

Atul Kumar Shukla
Director
DIN : 00121601

Deepmala Infrastructure Private Ltd.

CIN: U45201MH2007PTC174676

Statement of Profit and Loss for the year ended 31st March, 2017

(Amounts in Rs.)

	Particulars	Note No.	April 2016 - March 2017	October 2014 - March 2016
I	**Revenue from Operations :**	17	29,80,94,530	11,14,78,395
II	**Other Income**	18	8,11,36,022	1,43,250
III	**Total Income (I +II)**		37,92,30,552	11,16,21,645
IV	**Expenses:**			
	Cost of material consumed	19	32,37,62,265	7,65,13,943
	Depreciation & amortization	20	23,78,023	2,98,324
	Other expenses	21	7,62,45,742	70,82,224
	Total Expenses		40,23,86,031	8,38,94,491
V	**Profit/(Loss) before exceptional items and tax**		(2,31,55,479)	2,77,27,153
VI	Exceptional items Income / (Expense)		-	-
VII	**Profit / (Loss) before tax**		(2,31,55,479)	2,77,27,153
VIII	**Tax expenses**			
	Current Tax		-	1,07,00,000
	Excess / Short Provision of Earlier years		-	-
	Deferred Tax Liability / (asset)		(3,53,875)	-
	Total tax expenses		(3,53,875)	1,07,00,000
IX	**Profit/(Loss) for the period from continuing operations (VII-VIII)**		(2,28,01,605)	1,70,27,153
X	**Profit/(Loss) from discontinued Operations**			
XI	**Tax expenses**			
	Current Tax		-	-
	Excess / Short Provision of Earlier years		-	-
	Deferred Tax Liability / (asset)		-	-
	Total tax expenses		-	-
XII	**Profit/(Loss) from Discontinued Operations after Tax (X-XI)**		-	-
XIII	**PROFIT FOR THE YEAR (IX) + (XII)**		(2,28,01,605)	1,70,27,153
XIV	**Other Comprehensive Income:**			
	Items that will not be reclassified to profit or loss		-	-
	Income tax thereon		-	-
			-	-
XV	**Total Comprehensive Income / (Loss) For The Period (IX +X)**		(2,28,01,605)	1,70,27,153
XVI	**Earnings per equity share**	22		
	Basic		(2,280)	1,703
	Diluted		(2,280)	1,703

As Per Our Attached Report of Even Date
For Vishal Paliwal & Associates.
Chartered Accountants
FRN: 011145C

Vishal Paliwal & Associates INDORE Chartered Accountants

CA Jaya Nenwani
Partner
M.no. 411175

For and on behalf of the Board of Directors

Chayan Bhattacharjee
Director
DIN : 00107640

Atul Kumar Shukla
Director
DIN : 00121601

Deepmala Infrastructure Private Ltd.

CIN: U45201MH2007PTC174676

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

(Amounts In Rs.)

	Particulars	Apr 2016 - Mar 2017	Oct 2014- March 2016
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax and Extraordinary items	(2,44,41,936)	2,77,27,153
	Adjustments for :		
	Depreciation Reserve	16,40,331	
	Excess Loss transferred in previous year	-	(2,29,847)
	Interest Expenses	-	
	Provision for Doubtful Debts	-	
	Interest Income	(7,92,43,072)	(2,21,64,189)
	Sundry Balances Written Back	-	-
	Operating Profit Before Working Capital Changes	-	53,33,117
	Project work-in-progress	(2,07,88,923)	(2,08,94,55,305)
	Finished Units	(73,81,77,944)	
	Trade and Other Receivables	-	(26,37,31,955)
	Inventories	(1,18,08,551)	(66,28,107)
	Trade Payables and Provision	13,08,56,981	1,78,07,46,542
	Other Current Assets	(8,75,69,320)	(8,71,37,547)
	Short Term Loans & Advances (assets)	(11,84,39,876)	-
	Short Term Borrowings & other current liabilities	(1,58,16,26,771)	73,16,81,649
	Other liabilities and provisions	-	-
	CASH GENERATED FROM THE OPERATIONS	(2,52,95,99,081)	7,08,08,394
	Direct Taxes Paid	-	(1,07,00,000)
	Net Cash from Operating Activities	(2,52,96,99,081)	6,01,08,394
B	**CASH FLOW FROM INVESTMENT ACTIVITIES**		
	Changes in Fixed Assets	21,37,412	(2,02,752)
	Interest Income	7,92,43,072	2,21,64,189
	Net Cash from Investment Activities	8,13,80,484	2,19,61,437
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Issue of Shares	-	-
	Decrease in Other Non Current Liabilities	(1,62,86,923)	-
	Increase in Long Term Borrowings	2,35,06,34,948	1,07,09,25,110
	Interest paid		-
	Repayments of Long term Borrowing		(1,17,04,45,289)
	Net Cash from Financing Activities	- 2,33,43,48,025	(9,95,20,179)
	NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS	(11,38,70,572)	(1,74,50,348)
	Balance at the beginning of the year		
	Balance as at 30th September 2014		21,04,31,408
	Balance as at 31 Mar 2016	19,29,81,060	19,29,81,060
	Balance as at 31 Mar 2017	7,91,10,489	-
	NET INCREASE IN CASH AND CASH EQUIVALENTS	11,38,70,571	1,74,50,348
	Note: Figure in brackets denote outflows	-	

Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements.

As Per Our Attached Report of Even Date
For Vishal Paliwal & Associates.
Chartered Accountants
FRN: 011145C

Vishal Paliwal & Associates INDORE Chartered Accountants

CA Jaya Neewani
Partner
M.no. 411175

Place : Bhopal
Dated :

For and on behalf of the Board of Directors

Chayan Bhattacharjee
Director
DIN : 00107640

Atul Kumar Shukla
Director
DIN : 00121601

Place : Mumbai
Dated :

Deepmala Infrastructure Private Ltd.

CIN: U45201MH2007PTC174676

Notes to financial statements for the year ended March 31, 2017

Statement of Changes in Equity for the period ended March 31, 2017

A Equity Share Capital

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Subscribed and Fully Paid up Capital						
Equity shares of INR 10 each Opening Balance Changes in equity share capital during the year	10,000 -	1,00,000 -	10,000 -	1,00,000 -	10,000 -	1,00,000 -
Balance at March 31, 2017	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000

B Other Equity

Particulars	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Security Premium Reserve	General Reserve	Revaluation Reserve	Other Comprehensive Income	Total
Balance as at October 1, 2014 Balance as per previous GAAP Adjustments:	(7,36,625)	-	-	-	-	-	-	(7,36,625) -
INDAS balance as at October 1, 2014	(7,36,625)	-	-	-	-	-	-	(7,36,625)
Profit for the year Others	1,70,27,154 (2,29,847)					55,226		1,70,27,154 (1,74,621)
Balance as at 31 March 2016	1,60,60,682	-	-	-	-	-	-	1,61,15,908
Profit for the year Others	(2,28,01,605) (16,40,331)							(2,28,01,606) (16,40,331) -
Balance as at 31 March 2017	(83,81,254)	-	-	-	-	-	-	(83,26,028)

As Per Our Attached Report of Even Date
For Vishal Paliwal & Associates.
Chartered Accountants
FRN: 011146C

CA Jaya Nenwani
Partner
M.no. 411176

Place : Bhopal
Dated :

Vishal Paliwal & Associates
INDORE
Chartered Accountants

For and on behalf of the Board of Directors

Chayan Bhattacharjee
Director
DIN : 00107640

Atul Kumar Shukla
Director
DIN : 00121601

Place : Mumbai
Dated :

Deepmala Infrastructure Private Ltd.

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

1 **CORPORATE INFORMATION**

THE COMPANY was incorporated in Mumbai on 03rd October 2007

2 **SIGNIFICANT ACCOUNTING POLICIES**

i) **Basis of Preparation**

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2016. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

For all periods up to and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the first set of financial statements that the Company has prepared in accordance with Ind AS.

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values which are disclosed in the Financial Statements, the provisions of the Companies Act, 2013 ('Act') (to the extent notified).

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of reliability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ('INR').

ii) **Revenue Recognition:**

a) **Revenue from Construction Contracts:**

Long term contracts including joint ventures are progressively evaluated at the end of each accounting period. The contracts of which significant risks and rewards are transfered are recognised as revenue on the basis of consideration received or receivable.The significant risks and rewards are considered to be transfrered only when the completion certificate of the same is recieved from Muncipal Corporation and the possession of the same is transferable. The cost corresponding to it is recognised as cost of construction for the period and the other expenditure is capitalized as Capital Work in Progress.

b) **Turnover**

Turnover represents work certified as completed upto year end by the Muncipal Corporation and after taking in to consideration the actual cost incurred and the profit evaluated for the same on the blasis of cost allocated to it.

c) **Interest Income:**

Interest income for all financial instruments classified under the amortized cost category is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

d) **Dividend Income:**

Dividend income is accounted when the right to receive the same is established, which is generally when shareholders approve the dividend.

e) **Lease Income:**

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

f) **Income from insurance claim:**

Insurance claims are recognised only when there is reasonable certainty of receiving the claim.

iii) **Joint Ventures**

a) Joint Venture Contracts under Consortium are accounted as independent contracts to the extent of work completion.

b) In Joint Venture Contracts under Profit Sharing Arrangement, services rendered to Joint Ventures are accounted as income on accrual basis, profit or loss is accounted as and when determined by the Joint Venture and net investment in Joint Venture is reflected as investments or loans & advances or current liabilities.

Vishal Paliwal & Associates INDORE Chartered Accountants

Deepmala Infrastructure Private Ltd.

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

iv) **Employee benefits**

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc . and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.

- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

v) **Property, plant and equipment**

Property, plant and equipment are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Property, plant and equipment are derecognised from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 or as determined by the Independent Valuer as the case maybe . Property, plant and equipment which are added / disposed off during the year, depreciation is provided on *pro-rata basis* with reference to the month of addition / deletion.

vi) **Leased assets**

Leasehold lands are amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

vii) **Intangible assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed finite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Vishal Paliwal & Associates Chartered Accountants INDORE

Deepmala Infrastructure Private Ltd.

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Impairment of Non-financial Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is higher of an asset's fair value less cost to sell. .

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

ix) **Cash and cash equivalents**
Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

x) **Inventories**
Material at Construction Site are valued at lower of cost and net realisable value. Costs are determined on Weighted Average Method.

Work In Progress on construction contracts are carried at lower of assessed value of work done less bill certified and net realisable value.

xi) **Foreign currency transactions**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference.

xii) **Borrowing Cost**
Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

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

In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

xiii) **Taxes on Income**
Current Taxes
Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

INDORE & Associates Chartered Accountants

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Deepmala Infrastructure Private Ltd.

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

xiv) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contingent liabilities and Contingent Assets

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

xv) **Earning Per Share**

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

xvi) **Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

xvii) **Current and non-current classification**

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

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period,

Vishal Paliwal & Associates INDORE Chartered Accountants

AKS

Deepmala Infrastructure Private Ltd.

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets/liabilities are classified as non-current.

All other liabilities are classified as non-current.

xviii) Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

xix) Financial Instruments

a. Financial assets:

Initial recognition and measurement

All financial assets are recognized 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.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

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NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

• Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

• Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

• Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.
All other financial asset is measured at fair value through profit or loss.
All equity investments other than investment on subsidiary , joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in subsidiaries and associates, joint venture at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the Financial assets measured at amortized cost

Expected credit losses are measured through a loss allowance at an amount equal to:

• the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

• full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

• Trade receivables or contract revenue receivables; and

• All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk

Deepmala Infrastructure Private Ltd.

NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

b. Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized 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 recognized in the statement of profit and loss.

c. 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

d. Derivative financial instruments:

The Company enters into derivative contracts to hedge foreign currency price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

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2 **Detailed Asset Class Wise Addition, Adjustment, Depreciation, Changes at Net Block**

A **Tangible Assets**

Particulars	Plant & Machinery	Motor Vehicles	Office Equipments	Furniture & Fixtures	Computers	Total
GROSS BLOCK						
As at 01 October 2014	12,79,540	13,25,801	7,73,886	8,62,881	8,76,717	51,18,82
Fair Value Adjustment on account of IND AS	-	-	-	-	-	-
As at 01 October 2014 after INDAS effects	**12,79,540**	**13,25,801**	**7,73,886**	**8,62,881**	**8,76,717**	**51,18,82**
Additions	7,61,594	-	1,39,638	42,987	4,71,224	14,15,44
Disposals/Adjustments					-	-
Transfer under Scheme and BTA (Refer Note 38)						-
As at 31 March 2016	**20,41,134**	**13,25,801**	**9,13,524**	**9,05,868**	**13,47,941**	**65,34,26**
Additions	1,45,854		36,000	45,258	13,500	2,40,61
Disposals/Adjustments						-
Transfer under Scheme and BTA (Refer Note 38)	-					-
As at 31 March 2017	**21,86,988**	**13,25,801**	**9,49,524**	**9,51,126**	**13,61,441**	**67,74,88**
DEPRECIATION						
As at 01 October 2014	2,62,446	5,02,710	1,56,665	1,73,981	3,84,103	14,79,90
Charge for the Year	3,84,781	1,41,469	1,06,993	1,23,373	4,56,075	12,12,69
Disposals/Adjustments						-
Transfer under Scheme and BTA (Refer Note 38)						-
As at 31 March 2016	**6,47,227**	**6,44,179**	**2,63,658**	**2,97,354**	**8,40,178**	**26,92,59**
Charge for the Year	1,64,354	1,16,136	1,33,754	1,01,858	2,21,592	7,37,69
Adjustments for Schedule II	6,23,993	3,99,583	2,86,643	2,57,208	72,903	16,40,33
Transfer under Scheme and BTA (Refer Note 38)						-
As at 31 March 2017	**14,35,574**	**11,59,898**	**6,84,055**	**6,56,420**	**11,34,673**	**50,70,61**
NET BLOCK						
As at October 1, 2014	**10,17,094**	**8,23,091**	**6,17,221**	**6,88,900**	**4,92,614**	**36,38,92**
As at 31 March 2016	**13,93,907**	**6,81,622**	**6,49,866**	**6,08,514**	**5,07,763**	**38,41,67**
As at 31 March 2017	**7,51,414**	**1,65,903**	**2,65,469**	**2,94,707**	**2,26,768**	**17,04,26**

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Statement of Significant Accounting Policies and Other Explanatory Notes

B - OTHER NOTES

3 Financial Assets: Loans (at amortised cost)

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Loans and Advances to Related Parties :						
Considered Good	-	59,93,64,643	-	49,14,76,197		20,83,00,000
Deposits						
Considered Good	20,43,326	3,68,399	20,43,326	3,69,000	5,19,071.00	19,13,550
Other Loans and Advances						
Unsecured Considered good	5,00,000	4,72,17,055	5,00,000	6,23,03,578	5,00,000.00	7,99,43,114
Total	25,43,326	64,69,50,097	25,43,326	55,41,48,775	10,19,071.00	29,01,56,664

4 Other Financial Assets (at amortised cost)

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Interest Accrued Receivable:						
Considered Good	-	14,85,08,994	-	5,97,38,588	-	1,09,38,940
Considered Doubtful			-	-	-	-
Less : Provision for Doubtful Interest	-	-	-	-	-	-
Other Receivable		6,50,04,692		5,47,76,614	-	1,12,15,168
Total	-	21,35,13,686	-	11,45,13,202	-	2,21,54,108

5 Other Assets

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Capital Advances	-		-		-	
Unbilled Revenue (Refer note below)	-	-	-	-	-	-
Prepaid Expenses	-	6,12,499	-	6,12,499	-	-
Advance to Creditors/Subcontractors						
Unsecured Considered goods	-	-	-	-	-	-
Unsecured Considered doubtful		-		-		
Less. provision for doubtful		-		-		
Staff Advances		44,487		44,487		-
Balance with Tax Authority	93,07,039	3,08,73,800	55,75,640	2,07,44,052	25,69,031.70	3,04,642
Advance Tax Net of Provision	-		-		-	3,08,92,904
Others	-	24,390		72,353		1,88,410
Total	93,07,039	3,14,55,176	55,75,640	2,13,73,391	25,69,031.70	3,13,85,956

6 Inventories

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Raw Material	4,72,79,258.01	3,54,70,705.00	2,88,42,598
Material at Construction Site	-	-	-
Stores and Spares	-	-	-
Work in Progress - Real Estate	9,59,99,49,840	9,87,91,60,918	7,78,97,05,613
Work in Progress	-	-	-
Finished Goods	73,81,77,944	-	-
Total	10,58,54,07,848	9,91,46,31,623	7,81,85,48,211

7 Cash and Bank Balance

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Cash and cash equivalents			
Cash on Hand	-	22	230
Balances with Bank	7,91,10,489	19,39,61,039	21,04,31,178
Total	7,91,10,489	19,39,61,061	21,04,31,408

8 Equity Share Capital

(a) Authorised, Issued, Subscribed and Fully Paid up :

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Authorised Capital :						
Equity Shares of 10 /- each	10000	1,00,000	10000	1,00,000	10000	1,00,000
	10000	1,00,000	10000	1,00,000	10000	1,00,000
Issued, Subscribed and Fully Paid up Capital :						
Equity Shares of Rs.10/- each, fully paid	10000	1,00,000	10,000	1,00,000	10,000	1,00,000
Total	10000	1,00,000	10,000	1,00,000	10000	1,00,000

(b) Reconciliation of Number of Shares Outstanding

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
Add. Issued during the year	-	-	-	-	-	-
As at the end of the year	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000

(c) Details of Shareholding in Excess of 5%

Name of Shareholder	March 31, 2017		March 31, 2016		October 1, 2014	
	No of Shares	%	No of Shares	%	No of Shares	%
[illegible] India Ltd.	5,100	51.00%	5,100	51.00%	5,100	1
[illegible] Realty Ltd.	2,600	26.00%	2,000	26.00%	2,600	0
Sony [illegible] Developers Pvt. Ltd	2,300	23.00%	2,300	23.00%	2,300	0

9 Other Equity

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Retained earnings	(83,81,254)	1,60,60,682	(7,36,625)
Other Comprehensive Income	55,226	-	-
Actuarial Gains/ (Loss)	-	-	-
Total	(83,26,028)	1,60,60,682	(7,36,625)

10 Non Current Financial Liabilities - Borrowings

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current Maturities	Non Current	Current Maturities	Non Current	Current Maturities
From Banks and Financial Institutions	-	-			-	-
Term Loan	3,99,61,21,019	-	1,22,51,25,000	-	2,39,55,70,289.00	-
Total	3,99,61,21,019	-	1,22,51,25,000	-	2,39,55,70,289.00	-

The above amount includes	March 31, 2017		March 31, 2016		October 1, 2014	
Secured Borrowings	3,99,61,21,019	-	1,22,51,25,000	-	2,39,55,70,289.00	-
Unsecured Borrowings	-	-	-	-	-	-

Term loan from banks are secured by first charge on 75% of total plot of land admeasuring 14.80 acres situated at South TT nagar in Bhopal (M.P) & construction thereon and extention of exclusive first charge on the entire current assets, receivables and all bank accounts

The term loan carries interest in the range of 13.5 % to 14.75 % per annum and were repayable in quarterly instalments of fixed principal plus interest.

11 Non-Current Financial Liabilities - Trade Payable

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Retention / Deposits	8,86,76,550	7,54,20,823	2,02,13,414
Total	8,86,76,550	7,54,20,823	2,02,13,414

12 Other Non-Current Liabilities

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Client Advances	1,64,36,39,434	1,60,42,07,140	64,42,08,856
Other Non- Current Liabilities	-	5,57,19,217	-
Total	1,64,36,39,434	1,65,99,26,357	64,42,08,856

13 Current Financial Liabilities - Borrowings

The borrowings are analysed as follows :

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Loans Repayable on Demand :			
Cash Credit from Consortium Bankers	-	-	-
Loans and Advances from Related Party	2,87,09,49,499	3,70,75,66,940	3,51,08,85,791
Loans from Other Parties	86,56,71,125	86,56,71,125	83,06,71,125
Other Loans and Advances :			
Working Capital Term Loan	-	50,00,00,000	-
Total	3,73,66,20,624	5,07,32,38,065	4,34,15,56,416

The above amount includes	March 31, 2017	March 31, 2016	October 1, 2014
Secured Borrowings	-	-	-
Unsecured Borrowings	3,73,66,20,624	5,07,32,38,065	4,34,15,56,416

Loans and advances from related parties

To the extent of Rs.1,98,06,64,918 (Gammon India Limited) carries interest rate of 9% and repayable on demand. Interest on same is payable on demand.

To the extent of Rs.2,13,74,70,560 (Sony Mony Developers Private Limited) : it carries interest rate of 11% on Rs.43,00,00,000 and 9% on balance and the same are repayable on demand. Interest on same is payable on demand.

To the extent of Rs.28,81,026 are interest free and repayable on demand.

Loans and advances from other parties

To the extent of Rs.3,50,00,000 (Consolidated Infrastrucutre Company Pvt Ltd) carries interest rate of 14.5% and repayable on demand. Interest on same is payable on demand.

To the extent of Rs.83,06,71,125 are interest free and repayable on demand.

14 Current Financial Liabilities - Trade Payables

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Trade Payables	-	-	-
Micro Small and Medium Enterprises	-	-	-
Others	34,14,75,165	22,18,73,911	13,75,74,170
Total	34,14,75,165	22,18,73,911	13,75,74,170

15 Other Current Financial Liabilities

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Current Maturities of Term Loan	-	1,30,69,45,289	25,00,00,000
Interest accrued but not due	1,87,25,98,934	1,22,69,34,487	57,73,86,654
Total	1,87,25,98,934	2,53,38,79,776	82,73,86,654

16 Other Current Liabilities

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Duty & Taxes Payable	14,94,517	39,84,076	1,40,30,396
Others	-	-	-
Total	14,94,517	39,84,076	1,40,30,396

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17 Revenue from Operations

Particulars	April 2016 -March 2017	Oct 2014 - March 2016
Turnover	25,80,28,537	8,74,20,287
Interest Income	93,45,540	2,21,64,189
Miscellaneous Income	3,07,20,452	18,93,919
Total	29,80,94,530	11,14,78,395

18 Other Income

Particulars	April 2016 -March 2017	Oct 2014 - March 2016
Excess provision written back		
Profit on Sale of Assets	-	-
Profit on Sale of Investments	-	-
Lease Rent Received	-	1,43,250
Interest Income from ICD placed-GAGTEL & Metropolitan	1,12,38,490	-
	6,98,97,532	-
Total	8,11,36,022	1,43,250

19 Cost of Materials Consumed

Particulars	April 2016 -March 2017	Oct 2014 - March 2016
Opening Stock	-	-
Add : Purchases (Net of Discount)	32,37,62,265	7,65,13,943
Less : Transferred under BTA	-	-
Less : Closing Stock	-	-
Total	32,37,62,265	7,65,13,943

20 Depreciation & Amortisation

Particulars	April 2016 -March 2017	Oct 2014 - March 2016
Depreciation	23,78,023	2,98,324
Amortisation	-	-
Total	23,78,023	2,98,324

21 Other Expenses

Particulars	April 2016 -March 2017	Oct 2014 - March 2016
Interest Charges	7,10,48,329	-
Traveling Expenses	-	7,48,025
Communication	-	1,10,676
Bank Charges & Guarantee Commission	-	29,157
Sundry Expenses	-	3,87,778
Sundry Balance Written Off	-	49,296
Office Expenses	-	7,95,229
Director Sitting Fees	-	20,000
Other Expenses - Interest on Late Payment of Statutory Dues	-	42,04,074
Shopping Archade Mainatinance Expenses	50,47,413	-
Audit Fees	1,60,000	7,38,089
Total	7,62,55,742	70,82,224

22 Earning Per Share

Earnings Per Share (EPS) = Net Profit attributable to Shareholders / Weighted Number of Shares Outstanding.

Particulars	April 2016 -March 2017	Oct 2014 - March 2016
Net Profit attributable to the Equity Share holders	(2,28,01,605)	1,70,27,153
O/s number of Equity Shares at the end of the year	10,000	10,000
Weighted Number of Shares during the period – Basic	10,000	10,000
Weighted Number of Shares during the period – Diluted	10,000	10,000
Earning Per Share – Basic (Rs.)	(2,280)	1,703
Earning Per Share – Diluted (Rs.)	(2,280)	1,703

23 Disclosure of transactions with Related Parties, as required by Indian Accounting Standard (Ind AS) - 24 "Related Party Disclosures" has been set out in a separate Annexure - 1.

24 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2017.

25 The Company in Previous Financial Year recognized revenue as per the General Accepted Acounting Principle (GAAP) under Percentage of completion method as per Accounting Standard-7 (Construction Contract) With the applicability of Ind AS from 01.04.2016, Revenue has been recognised as per IND AS 18 according to which the company has recognised revenue when all the significant risks and rewards of ownership of the goods has been transferred to buyers & it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

26 Cost of goods sold per block have been allocated on the basis of super built-up area out of the total area allocated to respective units.

27 The qualifying assest of the company was completed as on 30.06.2016, hence the borrowing cost namely interest cost of loan from GIL and other term loans has been ceased to be capitalized for the remaining period of 9 months i.e. July'16 to march'17 and has been debited to the profit and loss account for the year 2016-17

As Per Our Attached Report of Even Date
For Vishal Paliwal & Associates,
Chartered Accountants
FRN: 011143C

Vishal Paliwal & Associates
INDORE
Chartered Accountants

CA [illegible] Nawani
Partner
M.No. [illegible]11175

Place : Bhopal
Dated :

For and on behalf of the Board of Directors

Chayan Bhattacharjee
Director
DIN : 00107640

Place : Mumbai
Dated :

Atul Kumar Shukla
Director
DIN : 08121601

DEEPMALA INFRASTRUCTURE PRIVATE LIMITED

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

Annexure - I Related Party Disclosure

A. List of Related Parties and Relationship

a) Holding Company:
1. Gammon India Limited (Holding Company)

b) Key Management Personnel:
1 Mr. Chayan Bhattacharjee
2 Mr. Harshit Rajan
3 Mr. Atul Kumar Shukla

c) Enterprises over which Key Management Personnel and their relatives exercise significant influence or control:
1 Sony Mony Developers Private Limited
2 Metropolitan Infrahousing Private Limited
3 Gactel Turnkey Projects Limited
4 Franco tosi Turbines Private Limited
5 Gammon Realty Limited

B. Transactions with related parties

Particulars	Relation as per AS-18	Current Period (12 months)	Previous Period (18 Months)
		Apr 16 - Mar 17	Oct 14 - Mar 16
Loans/ Advances / Deposits Given			
Metropolitan Infrahousing Private Limited	Fellow Subsidiary	-	40,00,000
Gactel Turnkey Pojects Limted	Fellow Subsidiary	12,70,00,000	26,13,45,172
Refund of Loans/Advances Given			
Gammon Realty Limited	Holding Co.	1,832	-
Loans/ Advances Taken			
Gammon India Limited	Holding Co.	13,41,203	4,06,26,794
Sony Mony Developers Private Limited	Enterprise having significant influence	-	43,00,00,000
Franco Tosi Turbines Private Limited	Fellow Subsidiary	1,71,750	-
Gammon Realty Limited	Fellow Subsidiary	16,00,000	1,83,168
Repayment of Loans/ Advances Taken			
Gammon India Limited	Holding Co.	1,84,126	-
Sony Mony Developers Private Limited	Enterprise having significant influence	45,69,55,003	42,80,969
Franco Tosi Turbines Private Limited (Note 1)	Fellow Subsidiary	14,39,300	22,913
Gammon Realty Limited	Fellow Subsidiary	-	1,85,000
Receipt of Interest			
Franco Tosi Turbines Private Limited (Note 2)	Fellow Subsidiary	1,84,126	-
Interest Income			
Metropolitan Infrahousing Private Limited	Fellow Subsidiary	81,27,000	1,26,63,310
Gactel Turnkey Pojects Limted	Fellow Subsidiary	6,17,69,044	5,49,68,079
Interest Expense			
Gammon India Limited	Holding Co.	17,82,63,476	26,44,30,875
Sony Mony Developers Private Limited	Enterprise having significant influence	11,50,80,763	15,82,51,080
Franco Tosi Turbines Private Limited	Fellow Subsidiary	-	-

Vishal Paliwal & Associates INDORE Chartered Accountants

DEEPMALA INFRASTRUCTURE PRIVATE LIMITED

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

Annexu Related Party Disclosure (Contd...)

Particulars	Relation as per AS-18	Current Period (12 months) Apr 16-Mar 17	Previous Period (18 Months) Oct 14-Mar 16
Reimbursement of Expenses			
Gammon India Limited	Holding Co.	-	-
Contract Expenditure			
Gammon India Limited	Holding Co.	1,55,05,213	43,04,39,548
Supply of Material and Extra item			
Gammon India Limited	Holding Co.	-	2,19,11,242
CLOSING BALANCES			
Short-term loans and advances			
Metropolitan Infrahousing Private Limited	Fellow Subsidiary	9,03,00,000	9,03,00,000
Gactel Turnkey Pojects Limted	Fellow Subsidiary	50,90,64,643	38,20,64,643
Interest Receivable			
Metropolitan Infrahousing Private Limited	Fellow Subsidiary	2,72,38,554	1,91,11,554
Franco Tosi Turbines Private Limited	Fellow Subsidiary	-	1,84,126
Gactel Turnkey Pojects Limted	Fellow Subsidiary	12,06,83,649	5,89,14,605
Other Receivable			
Gammon India Limited	Holding Co.	44,66,297	1,68,82,709
Gammon Realty Limited	Fellow Subsidiary	-	1,832
Other Payable			
Gammon India Limited	Holding Co.	3,45,25,600	3,45,25,600
Gammon Realty Limited	Fellow Subsidiary	16,00,000	-
Short-term borrowings			
Gammon India Limited	Holding Co.	1,98,18,21,996	1,98,06,64,919
Metropolitan Infrahousing Private Limited	Fellow Subsidiary	16,13,475	16,13,475
Sony Mony Developers Private Limited	Enterprise having significant influence	88,59,14,028	1,34,28,69,031
Franco Tosi Turbines Private Limited	Fellow Subsidiary	-	12,67,550
Current Liabilities			
Gammon India Limited	Holding Co.	17,66,16,140	17,35,27,339
Interest Payable			
Gammon India Limited	Holding Co.	95,47,42,564	77,64,79,088
Sony Mony Developers Private Limited	Enterprise having significant influence	90,96,82,292	79,46,01,529

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Note:

1 Repayment of loan to Franco Tosi Turbines Private Limied under the head "Repayment of Loans/ Advances Taken" of Rs. 14,39,300 includes Rs. 12,90,163 transfer to Gammon India Limited as per the agreement executed between Gammon India Limited and Franco Tosi Turbines Private Limied.

2 Receipt of Interest from Franco Tosi Turbines Private Limied under the head "Receipt of Interest" of Rs. 1,84,126 is