S. K. MOTANI & CO.
CA
ACCOUNTREMENTS
Since 1968

S. K. MOTANI & CO.
Chartered Accountants

- S. K. Motani B.Com., LL. B., F.C.A.
- Y. S. Motani B.Com., H.S.M., F.C.A.
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
GAMMON & BILLIMORIA LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **GAMMON & BILLIMORIA LIMITED** (the company), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's Board of Director is responsible for the matters stated in section 134 (5) of the Companies Act, 2013("The Act") with respect to the preparation of these financial statement that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility is also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

S. K. MOTANI
Chartered Accountants
MUMBAI

Basis for Qualified Opinion

1) ***On account of sticky advances, interest on advance given is not provided in books of accounts. Interest provision not made is of Rs.9,71,77,187/-***
2) ***TDS on interest payable amounting to Rs.4,93,39,722/- is not deducted and paid to Central Government.***
3) ***Interest is not provided on Loans outstanding in the name of Bebanco Developers Limited in view of financial loss. Company appreciates and acknowledges the right of Bebanco Developers Limited for the interest of Rs.4,73,68,656/- not provided in the books as and when the financial position of the company improves.***

Emphasis of matter

Consequent effect of two qualifications is as under:

1) ***On account of non-provision of interest,***
   profit would go up by Rs.9,71,77,187
2) ***On account of non-provision of interest on amount advanced,*** *Profit would go down by Rs.4,73,68,656*

Net effect PROFIT WOULD GO UP BY Rs.4,98,08,531/-

Opinion

In our opinion and to best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2017, and its loss and its cash flow of the year ended.

1. As required by section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;

4. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedure performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S. K. Motani & Co.
Chartered Accountants

Yogesh Motani
Partner
M. No. 47668
Firm Registration no.: 106582W

Mumbai 30 NOV 2017

financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become

Annexure –B [illegible] Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Annexure referred to in the Auditors Report for the year ended 31st March 2017 of **GAMMON & BILLIMORIA LIMITED**, as required by the Companies (Auditors Report) Order, 2016 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate, we report that:

(i) a) The Company has not acquired fixed assets since its incorporation.

b) As the Company does not have any fixed assets, question of physical verification does not arise.

c) As the Company does not own any fixed assets, question of verification of title deeds does not arises.

(ii) The Company does not have any inventory and hence physical verification, Material discrepancy and dealing of material discrepancy does not arise.

(iii) As informed and based on the records verified by us, the Company has not granted any loans , secured or unsecured to the companies, firms or their parties covered in the register maintained under section 189 of the Companies Act, 2013.

Hence, reporting on clause 3(a), 3(b) and 3(c) does not arise.

(iv) As per the information and explanation given to us, the Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185. Hence Section of Sec 185 & Sec 186 is not applicable.

(v) As per the information and explanation given to us, and based on the records verified by us, the Company has not accepted any (including debt instruments) and term loans so reporting on end use of funds so raised is not applicable.

(x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year

(xi) According to the information and explanation given to us and on the basis of our examination of books of accounts the company has not paid managerial remuneration. Hence requisite approvals mandated by the provision of sec 197 read with Schedule V are not applicable.

(xii) According to the information and explanation given to us, the company is not a Nidhi company under section 406 of the Act. Therefore the provisions of clause (xii) of the Companies (Auditors Reports) Order, 2016 are not applicable.

(xiii) According to the information and explanation given to us and on the basis of our examination of books of accounts the company transaction with the related parties are in compliance with f sec 177 & 188 of the companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Related Party disclosure specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rule, 2014.

(xiv) According to the information and explanation given to us and on the basis of our examination of books of accounts the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year. Hence reporting on end use of the funds is not applicable.

(xv) According to the information and explanation given to us and on the basis of our examination of books of accounts the company has not entered in to any non-cash transactions with directors or

Gammon & Billimoria Limited
CIN: U42200MH2002PLC138442

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

Particulars	Note	As at 31st March 2017	As at 31st March 2016	As at October 1, 2014
ASSETS				
NON-CURRENT ASSETS				
(a) Financial Assets				
(i) Investments	2	60,64,886	60,64,886	60,64,886
(ii) Loans	3	1,07,97,83,508	1,09,07,83,508	99,54,43,931
(b) Other current assets	5	1,85,311	2,00,066	2,00,066
TOTAL NON-CURRENT ASSETS		1,08,60,33,705	1,09,70,48,460	1,00,17,08,883
CURRENT ASSETS				
(a) Financial Assets				
(i) Cash and cash equivalents	4	84,38,353	1,42,219	23,69,448
(ii) Loans	3	-	-	-
(b) Other current assets	5	40,000	13,67,000	13,87,000
TOTAL CURRENT ASSETS		84,78,353	15,09,219	37,56,448
TOTAL ASSETS		1,09,45,12,058	1,09,85,57,679	1,00,54,65,331
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital	6	10,00,000	10,00,000	10,00,000
(b) Other Equity	7	(3,03,88,204)	1,93,97,286	1,78,24,736
TOTAL EQUITY		(2,93,88,204)	2,03,97,286	1,88,24,736
LIABILITIES				
NON-CURRENT LIABILITIES				
(a) Financial Liability				
(i) Borrowings	8	1,07,45,37,539	1,07,45,37,539	98,30,15,483
(b) Other non-current liabilities	10	-	-	-
TOTAL NON-CURRENT LIABILITIES		1,07,45,37,539	1,07,45,37,539	98,30,15,483
CURRENT LIABILITIES				
(a) Financial Liability				
(i) Borrowings	8	-	-	-
(ii) Others	9	4,93,62,723	34,136	11,236
(b) Other current liabilities	10	-	35,88,718	36,13,876
TOTAL CURRENT LIABILITIES		4,93,62,723	36,22,854	36,25,112
TOTAL EQUITY and LIABILITIES		1,09,45,12,058	1,09,85,57,679	1,00,54,65,331

Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements. 1

As per our report of even date.

For S. K. Motani & Co
Chartered Accountants
Firm Regn. No. 109882W

Yogesh Motani
Partner
Membership No. 47668

Place : Mumbai
Dated : 30 NOV 2017

For and on Behalf of Board of Directors

Digant L. Kapadia
Director
DIN 00021310

Rajul Bhansali
Director
DIN: 00178559

Place : Mumbai
Dated : 30 NOV 2017

Gammon & Billimoria Limited
CIN: U42200MH2002PLC138442

CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2017

	Particulars	April 2016 - March 2017	Oct 2014 - March 2016
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax and Extraordinary Items	(4,95,64,294)	22,93,518
	Interest paid	4,93,39,722	13,55,70,222
	Interest received	-	(13,84,63,333)
	Add: Finance cost amortised on EIR	-	-
	Operating Profit Before Working Capital Changes	(2,24,572)	(5,99,693)
	Changes in working capital:		
	Retained earnings	-	-
	Other financials assets	14,755	-
	Other current Assets	13,27,000	20,000
	Other Financial Liability	(11,136)	22,900
	Other current liabilities	(35,88,718)	(25,158)
	CASH GENERATED FROM THE OPERATIONS	(24,82,671)	(5,81,851)
	Direct Taxes Paid	(2,21,196)	(7,20,968)
	Net Cash from Operating Activities	(27,03,867)	(13,02,819)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Investments	-	-
	Advance Given	1,10,00,000	(9,53,39,577)
	Interest Received	-	13,84,63,333
	Net Cash from Investing Activities	1,10,00,000	4,31,23,756
			-
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowing	(0.00)	9,15,22,056
	Interest Paid	-	(13,55,70,222)
		-	-
	Net Cash from Financing Activities	(0.00)	(4,40,48,166)
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	82,96,133	(22,27,229)
	Balance as at the beginning of the period	1,42,219	23,69,448
	Balance as at the end of the period	84,38,353	1,42,219
	NET INCREASE IN CASH AND CASH EQUIVALENTS	82,96,134	(22,27,229)
	Note: Figure in brackets denote outflows		

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

For S. K. Motani & Co
Chartered Accountants
Firm Regn. No.: [illegible]

Yogesh Motani
Partner
Membership No. 47668

Place : Mumbai
Dated : 30 NOV 2017

For and on Behalf of Board of Directors

Digant L Kapadia
Director
DIN 00021310

Rajul Bhansali
Director
DIN: 00178558

Place : Mumbai
Dated : 30 NOV 2017

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.

(ii) 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).
- 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.

(iii) 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.

(iv) Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in associates at cost.

(v) 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

vi) **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

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 con ract.

vii) **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.

viii) **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,

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

All other liabilities are classified as non-current.

ix) **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

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,

- 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
- 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.

x) **Financial Instruments**

a. **Financial assets:**

(i) **Initial recognition and measurement**

Gammon & Billimoria Limited

ANNEXURES ATTACHED TO AND FORMING PART OF THE NOTES TO ACCOUNTS
FOR 18 MONTHS PERIOD ENDED 31ST MARCH, 2016

Annexure - I : Related Party Disclosure

t of Related Parties and Relationship

Holding Company
Gammon India Limited

Directors
Rajul Bhansali
Himanshu Parikh
Gita Bade
Atul Kumar Shukla
Naval Choudhary

Step down Subsidiary
. Aparna Infraenergy
Gammon Retail Infrastructure Private Limited
Metropolitan Infrahousing Private Limited

Subsidiary Company
. Gammon Infrastructure Projects Limited.

) Enterprise over which Key Management Personnnel exerts significant influence & control:
Gammon Realty Limited

ansactions with Related Parties

Particulars	Holding Company	Step down Subsidiary			Subsidiary Company	Enterprise over which Key Management Personnnel exerts significant influence & control:	
	Gammon India Limited	Metropolitan Infrahousing Private Limited	Gammon Retail Infrastructure Private Limited	Aparna Infraenergy	Gammon Infrastructure Projects Limited.	Gammon Realty Limited	
	Rs.			Rs.	Rs.	Rs.	Rs.
Transactions during the year							
Loans/ Advances / Deposits Taken	7,13,15,58,144 (1,28,42,433)	-	-	-	-	31,48,588	-
Loans/ Advances / Deposits Given	-	-	28,786 (75,000)	-	-	-	-
Reimbursement of expenses	-	-	-	-	-	-	-
Directors Sitting Fees	-	-	-	-	-	-	-
Interest Expenses	96,34,98,863	-	-	-	-	-	-
Interest Income	-	23,60,342 (11,78,014)	-	-	-	-	-
Investment in Shares					1,50,000 (7,14,08,42,433)		
Closing Balances	-			-	-	-	-
Other current liability	#REF! (1,41,994)			2,00,00,000 (2,00,00,000)	-	-	-
Interest Receivable	-	39,97,281 (11,72,836)		-	-	-	-
Interest Payable	-			-	-	-	-
Loans and Advances taken	1,35,80,41,434 (1,28,42,433)				-	31,48,588	-
Investment in Subsidiary					7,14,09,92,433 (7,14,08,42,433)		
Loans and Advances	- -	1,75,00,000 (1,75,00,000)	1,03,786 (75,000)	-	-	-	-

* Figures of previous year are shown in brackets

Statement on Change in Equity

Particulars	Retained Earning	Total
Balance as at October 1, 2014		
Balance as per previous GAAP	1,78,24,736	1,78,24,736
Adjustments:		
Fair valuation of loans	-	-
INDAS balance as at October 1, 2014	**1,78,24,736**	**1,78,24,736**
Profit for the year	15,72,550	15,72,550
Fair valuation of loans	-	-
Balance as at 31 March 2016	**1,93,97,286**	**1,93,97,286**
Profit for the year	(4,97,85,490)	(4,97,85,490)
Fair valuation of loans	-	-
Balance as at 31 March 2017	**(3,03,88,204)**	**(3,03,88,204)**

Gammon & Billimoria Limited

Notes on Financial Statements for the year ended 31st March, 2017

2 Non-current financial assets - Investments (At Cost)

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
NCA - Financial Assets - Investments - Trade Investments - Equity Instruments - (Foreign) G & B Contracting LLC 490 share of AED 1,000/- share	60,64,886	60,64,886	60,64,886
Total	60,64,886	60,64,886	60,64,886

3 Financial assets: Loans

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	1,07,97,83,508	-	1,09,07,83,508	-	99,54,43,931	-
Considered Doubtful	-	-	-	-	-	-
Less : Provision for Doubtful Loans	-	-	-	-	-	-
Total	1,07,97,83,508	-	1,09,07,83,508	-	99,54,43,931	-

Details of Loans given to Related Parties

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Considered Good:						
(i) G & B Contracting LLC : associates	1,04,38,21,173	-	1,05,48,21,819	-	99,54,43,931	-
(ii) Bebanco Developers Limited	3,59,62,335	-	3,59,62,04[illegible]	-	-	-
Total	1,07,97,83,508	-	1,09,07,83,508	-	99,54,43,931	-

The Loan given by the Company to G & B Contracting LLC carries interest @ 9.25% p.a. Since there are no defined repayment arrangement loan amount is not fair valued.

4 Current financial assets - Cash and Bank Balance

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Cash and Cash Equivalents			
Cash on Hand	[illegible]31	12,815	4,641
Balances with Banks	84,[illegible]22	1,29,404	23,64,807
Total	84,38,353	1,42,219	23,69,448

5 Other current assets

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Balance with Tax Authority	1,85,311	40,000	2,00,066	13,67,000	2,00,066	13,87,000
Total	1,85,311	40,000	2,00,066	13,67,000	2,00,066	13,87,000

6 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 Rs.10/- each	1,00,000	10,00,000	1,00,000	10,00,000	1,00,000	10,00,000
Issued, Subscribed and Fully Paid up Capital : Issued Capital Equity Shares of Rs.10/- each, fully paid	1,00,000	10,00,000	1,00,000	10,00,000	1,00,000	10,00,000
Subscribed and Fully Paid up Capital Equity Shares of Rs.10/- each, fully paid	1,00,000	10,00,000	1,00,000	10,00,000	1,00,000	10,00,000
Total	1,00,000	10,00,000	1,00,000	10,00,000	1,00,000	10,00,000

(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	1,00,000	10,00,000	1,00,000	10,00,000	1,00,000	10,00,000
Add: Issued during the year	-	-	-	-	-	-
As at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000	1,00,000	10,00,000

(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	%
Gammon India Limited	51,000	51%	51,000	51%	51,000	51%
B.E.Billimoria & Co Limited.	49,000	49%	49,000	49%	49,000	49%

(d) Terms / rights attached to equity shares

The Company has only one class of Equity Shares having a par value of Rs 10/- each Each holder of Equity Share is entitled to one vote per share. The distribution will be in proportion to the number of Equity Shares held by the shareholder.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

7 Other Equity

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Retained earnings	(3,03,88,204)	1,93,97,286	1,78,24,736
Total	(3,03,88,204)	1,93,97,286	1,78,24,736

8 Borrowings

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Gammon India Limited	-	4,93,39,723	-	-	-	-
Total	-	4,93,39,723	-	-	-	-

10 Other liabilities

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Duty & Taxes Payable	-	-	-	35,88,718	-	36,13,876
Total	-	-	-	35,88,718	-	36,13,876

11 Other Income

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Interest Income	-	13,84,63,333
Total	-	13,84,63,333

12 Finance Cost

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Interest Expenses	4,93,39,722	13,55,70,222
Total	4,93,39,722	13,55,70,222

13 Other Expenses

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Audit Fees	23,000	45,372
Legal & Professional fee	64,899	22,290
Sitting fees	-	5,000
Office expenses	1,010	100
Bank Charges	1,810	-
Interest paid on TDS	11,691	5,09,557
ROC filing fees	1,22,162	17,334
Total	2,24,572	5,99,593

Remuneration to Statutory Auditors

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Statutory Audit Fees	23,000	45,372
Total	23,000	45,372

14 Earnings Per Share

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Net Profit attributable to the Equity Share holders	(4,97,85,490)	15,72,550
O/s number of Equity Shares at the end of the year	1,00,000	1,00,000
Weighted Number of Shares during the period – Basic	1,00,000	1,00,000
Weighted Number of Shares during the period – Diluted	1,00,000	1,00,000
Earning Per Share – Basic (Rs.)	(497.85)	15.73
Earning Per Share – Diluted (Rs.)	(497.85)	15.73

15 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.

16 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006
The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure requirements in this regard as per schedule VI of the Companies Act, 1956 could not be provided.

17 Confirmations
The balances in the accounts of Trade Receivables, Trade Payables, Loans and Advances, Other Current Assets and Other Current Liabilities are subject to confirmation / reconciliation, if any. The Management does not expect any significant variance from the reported figures.

18 Previous Year's figures have been rearranged or regrouped wherever applicable necessary.

19 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.

20 Financial Instruments

(i) The carrying value and fair value of financial instruments by categories as at March 31, 2017, March 31, 2016 and October 1, 2014 is as follows:

Particulars	Carrying Value			Fair Value		
	March 31, 2017	March 31, 2016	October 1, 2014	March 31, 2017	March 31, 2016	October 1, 2014
Financial Assets						
Amortised Cost:						
Loans	1,07,97,83,508	1,09,07,83,508	99,54,43,931	1,07,97,83,508	1,09,07,83,508	99,54,43,931
Others	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Cash and cash equivalents	84,38,353	1,42,219	23,69,448	84,38,353	1,42,219	23,69,448
Bank Balance	-	-	-	-	-	-
Total Financial Assets	**1,08,82,21,861**	**1,09,09,25,727**	**99,78,13,379**	**1,08,82,21,861**	**1,09,09,25,727**	**99,78,13,379**
Financial Liabilities						
Amortised Cost						
Borrowings	1,07,45,37,539	1,07,45,37,539	98,30,15,483	1,07,45,37,539	1,07,45,37,539	98,30,15,483
Trade payables	-	-	-	-	-	-
Others	4,93,62,723	34,136	11,236	4,93,62,723	34,136	11,236
Total Financial Liabilities	**1,12,39,00,262**	**1,07,45,71,675**	**98,30,26,719**	**1,12,39,00,262**	**1,07,45,71,675**	**98,30,26,719**

(ii) Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Gross Debt	1,07,45,37,539	1,07,45,37,539	98,30,15,483
Less:			
Cash and Cash Equivalent	84,38,353	1,42,219	23,69,448
Net debt (A)	1,06,60,99,186	1,07,43,95,320	98,06,46,035
Total Equity (B)	(2,93,88,204)	2,03,97,286	1,88,24,736
Gearing ratio (A/B)	(36.28)	52.67	52.09

23 **Significant Accounting Judgments, Estimates And Assumptions**

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the separate financial statements.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

24 **First time Adoption**

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind AS. For eighteen months periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards Companies (Accounting Standard) Rules,2006 notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017 together with the comparative period data as at and for the eighteen months period ended March 31, 2016, as described in the summary of significant accounting policies. In preparing those financial statements, the Company's opening balance sheet was prepared as at October 1, 2014, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including;

- Profit reconciliation for the eighteen months period ended March 31, 2016 ,
- Equity Reconciliation as at October 1, 2014 and March 31, 2016,
- Notes explaning the changes from previous GAAP to Ind AS ,
- Exemption availed by the Company on first time adoption of Ind AS.

Details of the same is given vide Statement A

As per our report of even date.

For S. K. Motani & Co.
Chartered Accountants
Firm Regn. No.

Yogesh Motani
Partner
Membership No. 47668

Place : Mumbai
Dated : 30 NOV 2017

For and on Behalf of Board of Directors

Digant L Kapadia
Director
DIN 00021310

Rajul Bhansali
Director
DIN: 00178558

Place : Mumbai
Dated : 30 NOV 2017