



Chaitanya C. Dalal & Co.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Metropolitan Infrahousing Private Limited

Report on the Ind AS Financial Statements & Internal Financial Controls over Financial Reporting

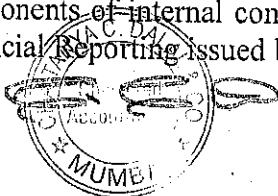
1. We have audited the accompanying Ind AS financial statements of **Metropolitan Infrahousing Private Limited**, which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. Also we have audited Internal Financial Controls over Financial Reporting as at March 31, 2017.

Management's Responsibility for the Ind AS Financial Statements & for Internal Financial Controls over Financial Reporting

2. The Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include



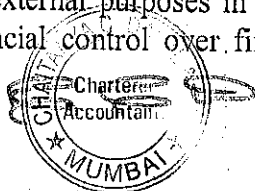
the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

4. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting based on our audit.
5. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
6. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
7. An audit involves performing procedures to obtain audit evidence about the amounts, the disclosures in the financial statements and 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 risks 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
8. 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 and the Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting

9. 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

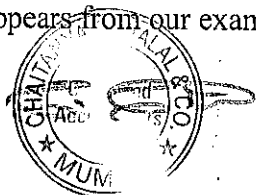
10. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

11. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.
12. In our opinion considering nature of business, size of operation and organisational structure of the entity, the Company has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. As required by section 143(3) of the Act, we report that:
- A) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- B) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



Chaitanya C Dalal & Co

Chartered Accountants

- C) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- D) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- E) On the basis of written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors except for Mr. Dinesh Patel and Mr. Babu Patel are disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- F) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company has pending litigations with Runwal Developers in Bombay High Court and Government of India in Supreme Court, which if decided against the company may have financial impact on the company.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the Company.

For Chaitanya C. Dalal & Co.

Chartered Accountants

FRN: 101632W





Chaitanya C. Dalal

Partner

Membership No. 35809

Place: Mumbai

Date: 29 AUG 2017

Chaitanya C Dalal & Co

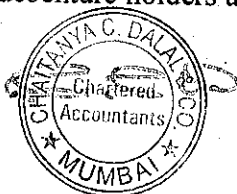
Chartered Accountants

Annexure "A" to the Independent Auditor's Report

As at and for the year ended 31st March, 2017 on the Ind AS Financial Statements
To the Members of **Metropolitan Infrahousing Private Limited**

(Referred to in paragraph 12 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) The Company does not have fixed assets & immovable property. Hence reporting under clause (i) of the CARO 2016 is not applicable.
- (ii) As explained to us, the physical verification of inventory has been done by the management at reasonable intervals during the year. No material discrepancies were noticed.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has provided corporate guarantee amounting to Rs. 200 Cr. Further the company has mortgaged part of the land to the bank along with debenture holders on pari passu basis.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits. Hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Income-tax, Service Tax, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Service Tax, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Service Tax, and Value Added Tax as on 31st March 2017 on account of disputes.
- (viii) Based on our audit procedures and on the information and explanations given by the management, the company has defaulted repayment of debentures amounting to Rs. 175 Cr as on March 31, 2015. Entire amount is outstanding as on March 31, 2017. The company has defaulted payment of interest to debenture holders. The outstanding interest payable to debenture holders as on March 31, 2017 is Rs. 14,39,06,827. The company has mortgaged



Chaitanya C Dalal & Co

Chartered Accountants

- its land situated at Dombivli which is part of capital work in progress to the debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
 - (x) To the best of our knowledge and according to the information and explanations given to us, no fraud on the Company by its officers has been noticed or reported during the year.
 - (xi) The Company has not paid any managerial remuneration during the year and hence the limits and approvals mandated by the provisions of section 197 are deemed to have been complied with.
 - (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
 - (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
 - (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
 - (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
 - (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934

For Chaitanya C. Dalal & Co

Chartered Accountants

FRN: 101632W

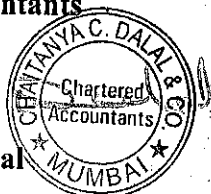
Chaitanya C. Dalal

Partner

M No. 35809

Place: Mumbai

Date: 29 AUG 2017



METROPOLITAN INFRAHOUSING PRIVATE LIMITED

CIN NO: U45201MH2006PTC162441

**Register Office : Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai -
400025. Maharashtra**

ANNUAL ACCOUNTS

FINANCIAL YEAR ENDED 31ST MARCH 2017

METROPOLITAN INFRAHOUSING PRIVATE LIMITED

CIN: U40108MH2008PLC186403

IND AS Balance Sheet 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) Loans	2	65,890	65,890	65,890
(ii) Other financial assets	3	-	-	-
(b) Others non-current assets	4	7671,13,014	7758,63,014	7906,13,014
TOTAL NON-CURRENT ASSETS		7671,78,904	7759,28,904	7906,78,904
CURRENT ASSETS				
(a) Inventories	5	114905,49,532	107062,14,668	96279,56,928
(b) Financial Assets				
(i) Cash and cash equivalents	6	134,54,932	1,156	7000,65,952
(ii) Loans	2	515,00,000	515,00,000	615,00,000
(iii) Other financial assets	3	47,047	47,047	1,15,986
(c) Other current assets	7	662,93,017	133,74,030	155,00,202
TOTAL CURRENT ASSETS		116218,44,528	107711,36,901	104051,39,068
TOTAL ASSETS		123890,23,432	115470,65,805	111958,17,972
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital	8	1,00,000	1,00,000	1,00,000
(b) Other Equity	9	8067,00,045	7239,21,915	9020,72,582
TOTAL EQUITY		8068,00,045	7240,21,915	9021,72,582
LIABILITIES				
NON-CURRENT LIABILITIES				
(a) Financial Liability				
(i) Borrowings	10	48970,36,173	-	-
(ii) Other financial liabilities	11	19429,90,070	-	-
TOTAL NON-CURRENT LIABILITIES		68400,26,243	-	-
CURRENT LIABILITIES				
(a) Financial Liability				
(i) Borrowings	10	14625,69,497	61727,83,155	59985,71,878
(ii) Other financial liabilities	11	24833,49,707	39424,17,007	35935,62,783
(b) Other current liabilities	12	7050,79,658	7066,76,121	7002,81,042
(c) Current Tax Liabilities (Net)	13	911,98,282	11,67,607	12,29,687
TOTAL CURRENT LIABILITIES		47421,97,143	108230,43,890	102936,45,390
TOTAL EQUITY and LIABILITIES		123890,23,432	115470,65,805	111958,17,972

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

As per our report of even date.

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For Chaitanya C Dalal & Co.

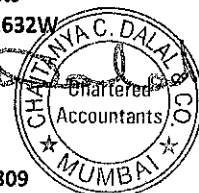
Chartered Accountants

Firm's Regn. No.: 101632W

Chaitanya C. Dalal

Partner

Membership No : 35809



For and on Behalf of Board of Directors

Babubhai Patel

Babubhai Patel

Director

DIN : 00937635

Dinesh Patel

Dinesh Patel

Director

DIN : 00526233

Place : Mumbai

Dated :

29 AUG 2017

[Signature]

Place : Mumbai

Dated : **29 AUG 2017**

METROPOLITAN INFRAHOUSING PRIVATE LIMITED

CIN NO: U45201MH2006PTC162441

STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED 31ST MARCH, 2017

Particulars		Note	April 2016 - March 2017	October 2014 - March 2016
I	Revenue from Operations		-	-
II	Other Income	14	2601,32,145	10,894
III	Total Income (I + II)		2601,32,145	10,894
IV	Expenses:			
	Employee benefits expense	15	2,14,500	2,41,500
	Finance Cost	16	861,54,250	1763,99,335
	Other Expenses	17	9,58,731	16,77,518
	Total Expenses		873,27,481	1783,18,353
V	Profit/(Loss) before exceptional items and tax		1728,04,664	(1783,07,459)
VI	Exceptional items Income / (Expense)		-	-
VII	Profit / (Loss) before tax		1728,04,664	(1783,07,459)
VIII	Tax Expenses			
	Current Income Tax		900,26,533	-
	Tax of earliar years		-	-
	Total tax expenses		900,26,533	-
	Profit/(Loss) for the period from continuing operations (VII-VIII)		827,78,131	(1783,07,459)
IX	Earning Per Equity Share (for Continuing Operation)	18		
	Basic		8,278	(17,831)
	Diluted		8,278	(17,831)

As per our report of even date.

For Chaitanya C Dalal & Co.

Chartered Accounts

Firm's Regn. No.: 101632W

Chaitanya C Dalal

Partner

Membership No. 35809

For and behalf of Directors

Babubhai Patel

Director

DIN : 00937635

Dinesh Patel

Director

DIN : 00526233

Place: Mumbai 29 AUG 2017

Date:



Place: Mumbai

Date: 29 AUG 2017

METROPOLITAN INFRAHOUSING PRIVATE LIMITED

CIN NO: U45201MH2006PTC162441

CASH FLOW STATEMENT FOR THE PERIOD 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	827,78,131	(1783,07,459)
	Add :-		
	Interest on Financial Liabilities at amortised Cost	-	-
	Remeasurement Loss of loans from Holding Company	-	-
	Guarantee Expenses	87,50,000	131,36,986
	Operating Profit Before Working Capital Changes	915,28,131	(1651,70,473)
	Changes in working capital:		
	Prior Period Adjustment of WIP	-	1,56,792
	Capital work in progress	(7843,34,864)	(10782,57,740)
	Loans	-	100,00,000
	Other financial assets	-	68,939
	Other financial liabilities	4839,22,770	3488,54,224
	Other non-current assets	-	60,00,000
	Other current assets	(529,18,987)	(22,60,814)
	Other current liabilities	(15,96,464)	63,95,079
	Provisions	900,30,675	(62,080)
	CASH GENERATED FROM THE OPERATIONS	(1733,68,739)	(8742,76,073)
	Direct Taxes Paid	-	-
	Net Cash from Operating Activities	(1733,68,739)	(8742,76,073)
B	CASH FLOW FROM INVESTING ACTIVITIES	-	-
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowing	1868,22,515	1742,11,277
	Net Cash from Financing Activities	1868,22,515	1742,11,277
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	134,53,776	(7000,64,796)
	Balance as at the beginning of the period	1,156	7000,65,952
	Balance as at the end of the period	134,54,932	1,156
	NET INCREASE IN CASH AND CASH EQUIVALENTS	134,53,776	(7000,64,796)
	Note: Figure in brackets denote outflows		

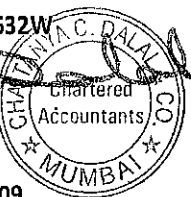
Statement of significant accounting policies and explanatory notes forms an integral part of the financial statements.

For Chaitanya C Dalal & Co.

Chartered Accountants

Firm's Regn. No.: 101632W

Chaitanya C. Dalal
Partner
Membership No : 35809



For and on Behalf of Board of Directors

Babubhai Patel
Babubhai Patel
Director
DIN : 00937635

Dinesh Patel
Dinesh Patel
Director
DIN : 00526233

Place : Mumbai

Dated :

29 AUG 2017

29 AUG 2017

Place : Mumbai

Dated :

29 AUG 2017

METROPOLITAN INFRAHOUSING PRIVATE LIMITED
CIN NO: U45201MH2006PTC162441
Notes to financial statements for the year ended March 31, 2017
(All figures are in rupees unless otherwise stated)
Statement of Changes in Equity

A Equity

Particulars	As at March 31, 2017		As at March 31, 2016		As at October 1, 2014	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid						
Balance at the beginning of the reporting period	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
Changes in equity share capital during the year - issued during the reporting period	-	-	-	-	-	-
Balance at the end of Reporting period	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000

B Other Equity

Particulars	Retained Earnings	Capital Contribution	Total
Balance as per Previous GAAP	8583,22,582	-	8583,22,582
Adjustments:	-	-	-
Fair Valuation of Financial Liabilities	-	-	-
Fair Value of Guarantee	-	437,50,000	437,50,000
Balance as at October 1, 2014 as per IND AS	8583,22,582	437,50,000	9020,72,582
Profit/(Loss) for the year	(1783,07,459)	-	(1783,07,459)
Earlier Year Adjustment on account of Capital WIP	1,56,792	-	1,56,792
Fair Valuation of Financial Liabilities	-	-	-
Balance as at 31 March 2016	6801,71,915	437,50,000	7239,21,915
Profit/(Loss) for the year	827,78,131	-	827,78,131
Fair Valuation of Financial Liabilities	-	-	-
Balance as at 31 March 2017	7629,50,045	437,50,000	8067,00,045

As per our report of even date.

For Chaitanya C Dalal & Co.
Chartered Accounts
Firm's Regn. No.: 101632W

Chaitanya C Dalal
Partner
Membership No. 35809

Place: Mumbai
Date: 29 AUG 2017

For and behalf of Directors

Babubhai Patel
Director
DIN : 00937635

Dinesh Patel
Director
DIN : 00526233

Place: Mumbai
Date: 29 AUG 2017

METROPOLITAN INFRAHOUSING PRIVATE LIMITED

1 NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

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 Holding Company is required to apply Ind AS starting from financial year beginning on or after 1st October, 2014. 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.

II 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.

III Foreign currency transactions

(a) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(c) Exchange Difference:

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

VI Borrowing Cost

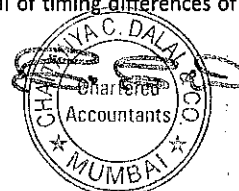
Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally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

V Taxes on income

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing applicable laws. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.



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 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.

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 assets/liabilities are classified as non-current.

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.

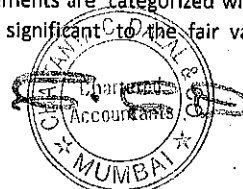
The principal or the most advantageous market must be accessible by the Company.

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 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.

X Financial instruments

a. Financial assets:

(i) 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.

(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
- 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.

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 characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

b. Financial liabilities:

(i) 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.

(ii) Subsequent measurement

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

(iii) 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.



(iv) 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.

(v) 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.

(vi) 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.

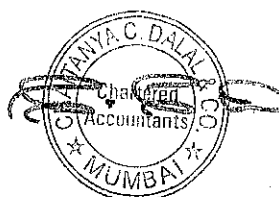
Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

e. Trade Payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

f. Trade Receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.



Notes on Financial Statements for year Ended 31st March 2017

2 Financial Assets :Loans and Deposits

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Loans and advances	-	51,500,000	-	51,500,000	-	61,500,000
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-
Less : Provision for Doubtful Loans	-	-	-	-	-	-
Deposits	25,000	-	25,000	-	25,000	-
Maharashtra VAT Deposit	40,890	-	40,890	-	40,890	-
Electricity Deposit	-	-	-	-	-	-
Total	65,890	51,500,000	65,890	51,500,000	65,890	61,500,000

Details of Loans given to:

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Considered Good:	-	40,000,000	-	40,000,000	-	50,000,000
Anand Agrochem India Ltd	-	1,500,000	-	1,500,000	-	1,500,000
White Dwarf Power Contractor Pvt. Ltd.	-	10,000,000	-	10,000,000	-	10,000,000
Venilaxmi Import & Exports Ltd.	-	-	-	-	-	-
Total	-	51,500,000	-	51,500,000	-	61,500,000

3 Financial assets: Others

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Interest Accrued Receivable:	-	47,047	-	47,047	-	37,283
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-
Less : Provision for Doubtful Interest	-	-	-	-	-	78,703
Advance recoverable	-	-	-	-	-	-
Total	-	47,047	-	47,047	-	115,986

Interest Accrued Receivable

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Considered Good:	-	47,047	-	47,047	-	37,283
Gammon Realty Limited	-	-	-	-	-	-
Total	-	47,047	-	47,047	-	37,283

4 Non-Current Assets

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Sony Money Developers Pvt Ltd	707,000,000	707,000,000	710,000,000
Sony Money Traders Pvt Ltd	47,000,000	47,000,000	50,000,000
Prepaid Guarantee Expenses	13,113,014	21,863,014	30,613,014
Total	767,113,014	775,863,014	790,613,014

5 Inventories

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Stock-in-trade	397,010	397,010	397,010
Work In progress	-	-	-
Cost of Land including Pieces or parcels of land, sheds, other structures & Less: Material Transferred to Statement of Profit & Loss #	6,993,692,445	6,993,692,445	6,993,692,445
Total (A)	6,993,692,445	6,993,692,445	6,993,692,445
Stamp duty on Land	436,606,300	436,606,300	436,606,300
Finance costs	4,019,988,682	3,244,727,601	2,184,482,534
Legal & Professional Fees	33,694,928	26,168,203	10,486,785
Other Charges	6,170,167	4,623,109	2,291,854
Total (B)	4,496,460,077	3,712,125,213	2,633,867,473
Total (A+B)	11,490,152,522	10,705,817,658	9,627,559,918
Total	11,490,549,532	10,706,214,668	9,627,956,928

6 Cash and Cash Equivalents

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Cash on Hand	-	-	2,100
Balances with Banks	13,454,932	1,156	700,063,852
Total	13,454,932	1,156	700,065,952

Disclosure on specified bank notes (SBNs)

During the year, the Company had SBNs/ other denomination notes (other notes) as defined in the MCA

Particulars	SBNs(*)	Other notes	Total
Closing cash on hand as at 8 November 2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in banks	-	-	-
Closing cash on hand as at 30 December 2016	-	-	-

7 Other Current asset

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Balance with Tax Authority	55,929,542	3,010,555	749,741
Advance to subcontractor	1,613,475	1,613,475	1,613,475
Prepaid Guarantee Expenses	8,750,000	8,750,000	13,136,986
Total	66,293,017	13,374,030	15,500,202



8 Equity Share capital

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	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
Issued, Subscribed and Fully Paid up Capital : Issued Capital Equity Shares of Rs.10/- each, fully paid	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
Subscribed and Fully Paid up Capital Equity Shares of Rs.10/- each, fully paid	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
Total	10,000	1,00,000	10,000	1,00,000	10,000	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 period	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 period	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	%
Gammon India Limited	8,416	84.16%	8,416	84.16%	8,416	84.16%
Manish Bathija	1,334	13.34%	1,334	13.34%	1,334	13.34%
Babubhai Patel	250	2.50%	250	2.50%	250	2.50%

(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.

9 Other Equity

Particulars	March 31, 2017	March 31, 2016	October 1, 2014
Retained Earnings	7629,50,045	6801,71,915	8583,22,582
Capital Contribution	437,50,000	437,50,000	437,50,000
Total	8067,00,045	7239,21,915	9020,72,582

10 Financial Liabilities - Borrowings

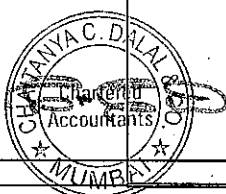
Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Loans and advances from related parties	48970,36,173	12794,14,697	-	59901,21,355	-	59809,17,078
Loans and advances from others	-	1831,54,800	-	1826,61,800	-	176,54,800
Total	48970,36,173	14625,69,497	-	61727,83,155	-	59985,71,878

Details of Loans given from Related Parties

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Considered Good:						
Gammon India Ltd	48970,36,173	-	-	48944,26,118	-	48934,26,468
Manish Bhatija	-	557,69,993	-	557,69,993	-	563,51,993
Babubhai Patel	-	169,92,500	-	169,92,500	-	169,92,500
Gactel Turnkey Projects Limited	-	5070,00,000	-	5070,00,000	-	5070,00,000
Deepmala Infrastructure Private Limited	-	903,00,000	-	903,00,000	-	897,56,569
Gammon Power Limited	-	175,00,000	-	175,00,000	-	186,72,836
Gammon Realty Limited	-	1546,00,000	-	146,00,000	-	30,00,000
ATSL Infrastructure Projects Ltd	-	200,00,000	-	200,00,000	-	200,00,000
Franco Tosi Turbines Private Limited	-	175,00,000	-	174,99,800	-	185,48,118
Loan form Director-Dinesh Patel	-	47,610	-	28,350	-	-
Paradise Infra Cont. Pvt. Ltd.	-	2900,87,927	-	2463,87,927	-	2463,87,927
Madhu Bhatija	-	548,33,333	-	548,33,333	-	554,15,333
Amit Bhatija	-	547,83,334	-	547,83,334	-	553,65,334
Total	48970,36,173	12794,14,697	-	59901,21,355	-	59809,17,078

Details of Loans given from Other Parties

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Considered Good:						
N.R.Construction	-	1,54,800	-	1,54,800	-	1,54,800
Preeti Builders & Developers	-	75,00,000	-	75,00,000	-	75,00,000
Spancrete India Pvt Ltd	-	185,00,000	-	180,00,000	-	-
The Freyssinet Prestressed Concrete Co. Ltd	-	1200,00,000	-	1200,00,000	-	-
Consolidated Infrastructure Company Private Limited	-	270,00,000	-	270,00,000	-	-
Pratibha Pipes Structural Limited	-	100,00,000	-	100,00,000	-	100,00,000
Preeti Township Pvt Ltd.	-	-	-	7,000	-	-
Total	-	1831,54,800	-	1826,61,800	-	176,54,800



11 Financial Liabilities - Others

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Non Convertible Debentures (Secured by mortgage of Immovable Property)		17500,00,000	-	17500,00,000	-	17500,00,000
Interest Accrued But Not Due						
Interest payable to related parties	19429,90,070	5187,52,638	-	19342,44,238	-	16870,85,215
Interest payable to Others	-	2026,56,365	-	2449,75,221	-	1534,07,752
Retention Money	-	79,684	-	79,684	-	79,684
Others	-	118,61,020	-	131,17,864	-	29,90,132
Total	19429,90,070	24833,49,707	-	39424,17,007	-	35935,62,783

Details of Interest payable to related parties

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Gammon India Ltd	19429,90,070	-	-	15022,80,669	-	15011,97,537
Gammon India Ltd	-	289,27,347	-	244,89,897	-	137,97,505
Manish Bhatija	-	296,17,446	-	251,00,076	-	143,43,965
Madhu Bathija	-	289,39,030	-	244,97,530	-	137,97,505
Gactel Turnkey Projects Limited	-	2969,56,027	-	2234,41,027	-	764,11,027
Deepmala Infrastructure Private Limited	-	272,38,553	-	191,11,553	-	-
Gammon Power Limited	-	54,14,781	-	39,97,281	-	-
Gammon Realty Limited	-	84,57,288	-	-	-	-
Franco Tosi Turbines Private Limited	-	27,91,185	-	38,73,685	-	-
Paradise Infra Cont. Pvt. Ltd.	-	904,10,981	-	1074,52,520	-	675,37,676
Total	19429,90,070	5187,52,638	-	19342,44,238	-	16870,85,215

Details of Interest payable to others

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Interest payable to Debenture Holders	-	1439,06,827	-	2195,62,515	-	724,90,679
Alpine Environmental Engineers Ltd	-	208,67,823	-	208,67,823	-	809,17,073
Consolidated Infrastructure Company Private Limited	-	64,59,035	-	29,35,535	-	-
The Freyssinet Prestressed Concrete Co. Ltd	-	288,29,589	-	-	-	-
Spancrete India Pvt Ltd	-	25,93,091	-	16,09,348	-	-
Total	-	2026,56,365	-	2449,75,221	-	1534,07,752

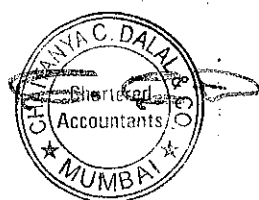
12 Other current liabilities

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Duty & Taxes Payable		50,12,057		65,01,119		2,61,113
Other payable		67,601		1,75,002		19,929
Advance Received against Land*		7000,00,000		7000,00,000		7000,00,000
Total		7050,79,658		7066,76,121		7002,81,042

*Note: The company has entered into discussions for sale of land. For that the company has received 70 Cr as deposits. The proposed purchase(Runwal Constructions) has filed litigations against the company.

13 Current Tax Liabilities (Net)

Particulars	March 31, 2017		March 31, 2016		October 1, 2014	
	Non Current	Current	Non Current	Current	Non Current	Current
Provision for Income Tax		911,98,282		11,67,607		11,71,749
Provision for Fringe Benefit Tax		-		-		57,938
Total		911,98,282		11,67,607		12,29,687



14 Other Income

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Interest Income	2601,32,145	10,849
Interest on income tax refund	-	45
Total	2601,32,145	10,894

15 Employee benefit expenses

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Salaries, Bonus, Perquisites etc.	2,14,500	2,41,500
Total	2,14,500	2,41,500

16 Finance Cost

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Interest expenses	774,04,250	1632,62,349
Interest Expense on Financial Liabilities at amortised cost on EIR	-	-
Remeasurement Loss of loans from Holding Company	-	-
Guarantee Expenses	87,50,000	131,36,986
Total	861,54,250	1763,99,335

17 Other expenses

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Audit Fees	50,000	1,00,000
Bank Charges & Guarantee Commission	2,130	-
Legal and Professional	1,09,630	6,51,745
Duties and taxes	44,052	12,500
Miscellaneous Expenses	6,76,624	8,06,958
Power and Fuel	76,297	1,06,315
Total	9,58,732	16,77,518

Remuneration to Statutory Auditors

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Audit Fees	50,000	1,00,000
Total	50,000	1,00,000

18 Earnings Per Share

Particulars	April 2016 - March 2017	Oct 2014 - March 2016
Net Profit attributable to the Equity Share holders	827,78,131	(1783,07,459)
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.)	8,278	(17,831)
Earning Per Share - Diluted (Rs.)	8,278	(17,831)

19 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.

20 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

21 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.

22 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

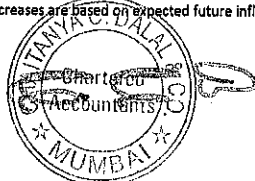
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the 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.

23 First-time adoption of Ind AS

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 these 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 explaining 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

24 Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the group from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is currently evaluating the requirements of the amendment and has not yet determined the impact on the financial statements.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company is currently evaluating the requirements of the amendment and has not yet determined the impact on the financial statements.

25 Financial Instruments

The rate of interest charged to the company by its holding company or other peer companies at 9%. The management view is that the rate of interest charged on the loan taken/given to/by the company is at fair value. Accounting treatment is given accordingly.

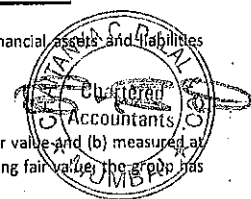
- i) The carrying value and fair value of financial instruments by categories as at March 31, 2017, March 31, 2016 and October 1, 2014 is as follows:

	Carrying Value			Fair Value		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
a) Financial Assets						
Amortised Cost						
Loans	515,65,890	515,65,890	615,65,890	515,65,890	515,65,890	615,65,890
Cash and cash equivalents	134,54,932	1,156	7000,65,952	134,54,932	1,156	7000,65,952
Others	47,047	47,047	1,15,986	47,047	47,047	1,15,986
Total Financial Assets	650,67,869	516,14,093	7617,47,828	650,67,869	516,14,093	7617,47,828
b) Financial Liabilities						
Amortised Cost						
Borrowings	63596,05,670	61727,83,155	59985,71,878	63596,05,670	61727,83,155	59985,71,878
Others	44263,39,777	39424,17,007	35935,62,783	44263,39,777	39424,17,007	35935,62,783
Total Financial Liabilities	107859,45,447	101152,00,162	95921,34,661	107859,45,447	101152,00,162	95921,34,661

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

26 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.

Financial instruments with fixed and floating interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have significant effect on recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on recorded fair value that are not based on observable market data

There are no Financial Assets and liabilities which are carried at Fair value using Fair value hierarchy

27 Financial Risk Management Objectives And Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

a) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Company does not have any foreign currency exposure during the financial period or as at Balance sheet date and therefore there is no Foreign currency risk to the company.

b) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company monitors whether the collections are made within the contractually established deadlines. In addition to this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company does not have any Trade receivable and therefore is not exposed to Credit risk from Customers.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

c) Interest Rate Risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
March 31, 2017	Plus 100 basis point	(18,31,548)
	Minus 100 basis points	18,31,548
March 31, 2016	Plus 100 basis point	(18,26,618)
	Minus 100 basis points	18,26,618
October 1, 2014	Plus 100 basis point	(1,76,548)
	Minus 100 basis points	1,76,548

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

d) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

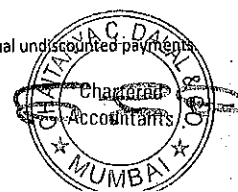
Current Financial Assets of the Company

Particulars	March 31, 2017	March 31, 2016	October 1, 2016
Cash and Cash Equivalent	134,54,932	1,156	7000,65,952
Loans & Advances Current	515,00,000	515,00,000	615,00,000
Other Financial Assets Current	47,047	47,047	1,15,986
Total	650,01,979	515,48,203	7616,81,938

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	Within One year	One - Five year	Total
As at March 31, 2017			
As at March 31, 2016			



Short term borrowings	61727,83,155	-	61727,83,155
Trade payables	-	-	-
Other financial liabilities	39424,17,007	-	39424,17,007
Total	101152,00,162	-	101152,00,162

As at October 1, 2014

Long term Borrowing	-	-	-
Short term borrowings	59985,71,878	-	59985,71,878
Trade payables	-	-	-
Other financial liabilities	35935,62,783	-	35935,62,783
Total	95921,34,661	-	95921,34,661

28 Capital Management

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	63596,05,670	61727,83,155	59985,71,878
Less:			
Cash and Cash Equivalent	134,54,932	1,156	7000,65,952
Net debt (A)	63461,50,738	61727,81,999	52985,05,926
Total Equity (B)	8068,00,045	7240,21,915	9021,72,582
Gearing ratio (A/B)	7.87	8.53	5.87

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

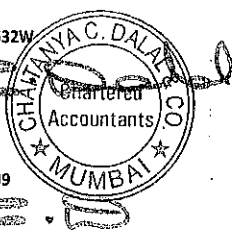
30 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2017.

As per our report of even date.

For Chaitanya C Dalal & Co.
Chartered Accounts
Firm's Regn. No.: 101632W

Chaitanya C Dalal
Partner
Membership No. 35809

Place: Mumbai
Date: 29 AUG 2017



Babubhai Patel
Director
DIN : 00937635

Place: Mumbai
Date: 29 AUG 2017

Dinesh Patel
Director
DIN : 00526233

METROPOLITAN INFRAHOUSING PRIVATE LIMITED
CIN NO: U45201MH2006PTC162441

Notes on Financial Statements for year Ended 31st March 2016

18 Related Party Disclosures

A. List of Related Parties and Relationship

a) Holding Company

1 Gammon India Limited

b) Key Management Personnel

1 Dinesh Patel

2 A.B.Desai

3 Babubhai Patel

4 Manish Bhatija

c) Relatives of Key Management Personnel

1 Amit Bhatija

2 Madhu Bhatija

B. Transactions with Related Parties

d) Enterprises over which Key Management Personnel and their relatives exercise significant influence or control

1 Paradise Infra Cont. Pvt. Ltd.

2 Gactel Turnkey Projects Limited

3 Deepmala Infrastructure Private Limited

4 Gammon Realty Limited

5 Gammon Power Limited

6 Preeti Township Ltd.

Particulars		Holding Company	Key Management Personnel				Relatives of Key Management Personnel				Enterprises over which Key Management Personnel and their relatives exercise significant influence or control							
		Gammon India Limited	Babubhai Patel	Dinesh Patel	Manish Bhatija	Amit Bhatija	Madhu Bhatija	Preeti Township Ltd.	Paradise Infra Cont. Pvt. Ltd.	ATSL Infrastructure Projects Ltd	Gactel Turnkey Projects Limited	Deepmala Infrastructure Pvt. Ltd.	Gammon Realty Limited	Gammon Power Limited				
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				
Loans/ Advances / Deposits Given																		
Loans/ Advances / Deposits Taken		26,09,705		19,260					437,00,000				14,00,00,000					
Repayment of Loans/ Advances / Deposits Given																		
Repayment of Loans/ Advances / Deposits Taken								7,000										
Interest Expense		44,07,09,401			50,19,300	49,30,500	49,35,000				735,15,000	81,27,000	84,57,288	15,75,000				
Interest Income																		
Reimbursement of Expenses																		
Closing Balances																		
Short term borrowings		48,970,36,173 (48,944,26,118)	1,69,92,500 (1,69,92,500)	47,610 (28,350)	557,69,993 (557,69,993)	547,83,334 (547,83,334)	548,33,333 (548,33,333)		2,900,87,927 (2,463,87,927)	200,00,000 (200,00,000)	5,070,00,000 (5,070,00,000)	903,00,000 (903,00,000)	15,46,00,000 (14,60,00,000)	175,00,000 (175,00,000)				
Current Assets												16,13,475 (16,13,475)						
Interest Receivable													47,047 (47,047)					
Interest Payable		19,429,90,070 (15,022,80,669)			296,17,446 (251,00,076)	289,27,347 (244,89,897)	289,39,030 (244,97,350)		904,10,981 (1,074,52,520)		29,69,56,027 (22,34,41,027)	272,38,553 (191,11,553)	84,57,288	54,14,781 (39,97,281)				
Current Liabilities		12,43,625 (12,43,625)																

