

INDEPENDENT AUDITOR'S REPORT

To the Members

Ansaldo Caldaie Boilers India Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying financial statements of Ansaldo Caldaie Boilers India Private Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss including Statement of Cash Flow and Statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

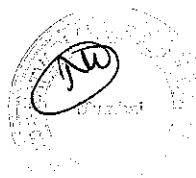
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) specified under Section 133 of the Act, read with relevant rules thereon.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit. 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. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS Financial Statements. The procedures selected depend



Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

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on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS 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 Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Ind AS Financial Statements.

Basis for Qualified Opinion

1. With respect to the investment and other exposure of the Company in Ansaldo GB-Engineering Pvt Ltd aggregating to Rs 2000.00 lacs. We invite attention to Note 3(a) where the management has indicated a possible resolution plan due to which in their opinion no impairment will be required presently. In the absence of definitive resolution plan We are unable to opine whether any provision towards possible impairment is required towards the exposure of the Company in the said Ansaldo GB-Engineering Pvt Ltd.
2. We invite attention to note 15(d) relating to waiver of interest on loan taken from the holding company amounting to Rs 14 lacs. In the absence of consent from Holding Company we are unable to state whether the non-accrual of interest would have impact on the profit.
3. We invite attention to Note no 18(a) where the Company had received amounts as Share Application Money of Rs. 1663.97 lacs for further allotment of shares which were to be issued on terms and conditions to be decided by the Board and in line with the extant regulation of the RBI. The RBI vide its letter dated August 16, 2018 has asked the Company to refund the money. The Company has replied to RBI asking them to reconsider their directive for reasons detailed in the aforesaid note. RBI has not responded on the matter till date. The Company has not given any effects to the RBI directive and has disclosed the same as Current Liabilities.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in Basis of Qualified Opinion paragraph*, the aforesaid Standalone 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 under section 133, of the financial position of the Company as at March 31, 2018, its financial performance including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Material Uncertainty relating to Going Concern.

We invite attention to Note 40 of the Standalone Ind AS Financial Statements. The Company is facing financial difficulties and material uncertainties relating to Operations and cash flows which is significantly impairing its ability to continue as a



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going concern. These conditions indicate the existence of significant uncertainty over the cash flows expected and the Company's ability to continue as a going concern. Our report is not qualified on this matter.

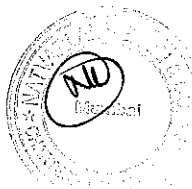
Emphasis of Matter

Without qualifying our opinion we draw attention to following Notes of the financial statements.

1. Note no 4(a) in respect recoverability of trade receivable of Rs. 989.97 lacs due from M/s Nagai Power, the management is of the view that the debts are good and receivable. No adjustments are therefore made for the same in the books except for provision for expected credit loss.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) we have sought and except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, 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 except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statements of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereon;
 - (e) The matters described in paragraphs under the Basis for Qualified Opinion and the Material Uncertainty related to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Company;



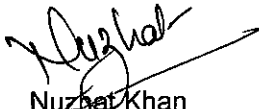
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- (f) *The Company has not received any representation letter from its directors as on March 31, 2018 relating to eligibility of directorship under section 164(2) of the Act. Based on the information available from Ministry of Corporate Affairs portal, Mr. Ramesh Patel is being disqualified from being appointed as a director in terms of section 164(2) w.e.f .November 2016 and with respect to Ms. Barbara Ellen Lefebvre and Mr. Jagdish Chunilal Sheth, both these directors DIN is deactivated due to non-filing of DIR-3.*
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (h) 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:
- The Company has disclosed the impact of pending litigation, which would impact its Ind AS financial statements refer note 32 to the Ind AS financial statement.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration no.106971W



Nuzhat Khan
Partner
Membership No. 124960
Mumbai, Dated : September 5, 2018



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph (1) under "Report on other legal and regulatory requirements" of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) During the year, all the fixed assets were physically verified by the management. In our opinion, frequency of such verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no immovable property in the Property, Plant and Equipment Schedule and therefore clause 3(i)(c) is not applicable
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. All the materials and consumables have been given to the contractors for the purposes of fabrication and confirmation from such fabricators are available with the company of materials lying as closing inventories which have been considered as inventories. Except for the material aggregating to Rs 3,07,30,809/, in our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business.
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stock followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The discrepancies noticed between the physical stocks and books stocks were not material and the valuation of stock has been done on the basis of physically verified quantity. Therefore Shortage / Excess automatically get adjusted and the same is properly dealt in the books of accounts.
- iii. According to the information and explanations given to us the Company has not granted any loan secured or unsecured to any company, firm, limited liability partnership or other parties covered in the register maintained u/s 189 of the Companies Act 2013. Therefore clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has no loans, investments, guarantees and security covered under the provisions of section 185 and 186 hence clause 3(iv) of Companies (Auditor's Report) Order, 2016 is not applicable.
- v. The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections. Accordingly the provision of clause 3(v) is not applicable to the Company.



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vi. As informed to us the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has not been prescribed hence clause 3(vi) is not applicable to the Company

vii. a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess, Work Contract Tax, Goods and Service tax and other statutory dues with the appropriate authorities observed on test check basis. On the basis of the audit procedures followed, test checks of the transaction and the representation from the Management there are no arrears which was outstanding for a period of more than six months from the date they become payable.

b) According to the information and explanations given to us, the dues of Sales Tax, Income Tax, Service Tax, Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited on account of any dispute is tabulated hereunder.

Name of the Statute	Nature of Dues	Rs in lacs	Period to which the amount relates	Forum where dispute is pending
Income Tax	Notice u/s 154	5.22	2010-11	Assessing Officer
Income Tax	Notice u/s 220(2)	0.42	2011-12	CPC
Income Tax	Notice u/s 220(2)	1.22	2012-13	CPC
Income Tax	Notice u/s 154	210.97	2013-14	Assessing Officer
	Total	217.83		

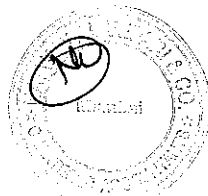
The appeals are pending to be filed and the Company is responding to the show cause notices

(c) There are no amounts to be transferred to Investor Education and protection funds.

viii. According to the information and explanations given to us and based on the documents and records produced to us, the company has not defaulted in repayment of dues to any Financial Institution, Bank or Debenture Holders.

ix. The Company has not raised any money by way of public issue / follow-on offer (including debt instruments). The Company has also not raised any term loans during the year. Therefore the clause 3(ix) of the Companies (Auditors Report) Order 2016 is not applicable to the Company.

x. According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.



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- xi. No managerial remuneration has been paid / provided and hence clause 3(xi) of Companies (Auditor's Report) Order, 2016 is not applicable.
- xii. The Company is not a Nidhi Company hence clause 3(xii) of Companies (Auditor's Report) Order, 2016 is not applicable.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Accounting Standard.
- xiv. The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- xvi. The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act, 1934.

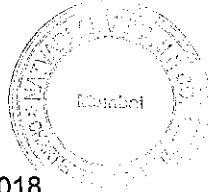
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration no.106971W



Nuzhat Khan
Partner

Membership No. 124960

Mumbai, Dated : September 5, 2018



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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to financial statements of Ansaldo Caldaie Boilers India Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over with reference to Financial Statements 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 ('ICAI'). 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 adequate internal financial controls with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, 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.



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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 with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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.

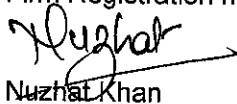
Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2018, 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.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration no.106971W


Nuzhat Khan

Partner

Membership No. 124960

Mumbai, Dated : September 5, 2018



ANSALDO CALDAIE BOILERS INDIA PRIVATE LIMITED

CIN:-U28123TN2005PTC055309

BALANCE SHEET AS AT March 31, 2018

(Rs in lacs)

Particulars	Note No.	As at March 2018	As at March 2017
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	7.78	8.47
(b) Intangible Asset			-
(c) Financial assets			
(i) Investments	3	2,000.00	2,000.00
(ii) Trade receivable	4	909.97	858.18
(iii) Loans	5	9.66	9.66
(iv) Others	6	3,057.04	3,055.37
(d) Deferred tax assets (net)	7	36.86	49.35
(e) Other non-current assets	8	1,661.33	1,857.05
TOTAL NON-CURRENT ASSETS		7,682.14	7,838.08
CURRENT ASSETS			
(a) Inventories	9	118.83	615.50
(b) Financial assets			
(i) Investments			-
(ii) Trade receivables	4		797.97
(iii) Cash and cash equivalents	10	284.79	6.38
(iv) Bank balances	10	15.16	14.59
(v) Loans	5		-
(vi) Others	6		-
(c) Other current assets	8	116.52	395.42
TOTAL CURRENT ASSETS		535.30	1,829.87
TOTAL ASSETS		8,217.44	9,667.95
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	5,000.00	5,000.00
(b) Other equity	12	(6,749.85)	(7,326.51)
TOTAL EQUITY		(1,749.85)	(2,326.51)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	13	972.00	2,274.06
(ii) Trade payables			-
(b) Provisions	14	7.87	5.79
(c) Deferred tax liabilities (net)	7		-
(d) Other non-current liabilities			-
TOTAL NON-CURRENT LIABILITIES		979.87	2,279.85
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	15	1,125.13	1,570.12
(ii) Trade payables	16	2,314.27	2,361.62
(iii) Other financial liabilities	17	2,711.78	2,954.34
(b) Other current liabilities	18	2,915.58	2,803.21
(c) Provisions	14	7.73	20.38
(d) Current tax liabilities (net)	19	(87.07)	4.93
TOTAL CURRENT LIABILITIES		8,987.42	9,714.60
TOTAL EQUITY AND LIABILITIES		8,217.44	9,667.95

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

As per our report of even date

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. 106971W

Nuzhat Khan

Partner

M.No. 124960

Place: Mumbai

Date: Septmeber 5, 2018

For and on behalf of the Board of Directors

Ansaldo Caldaie Boilers India Private Limited

Chayan Bhattacharjee

DIN: 00107640

Place: Mumbai

Date: Septmeber 5, 2018

Jawahar Achayappan

DIN: 02328081

ANSALDO CALDAIE BOILERS INDIA PRIVATE LIMITED

CIN:-U28123TN2005PTC055309

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

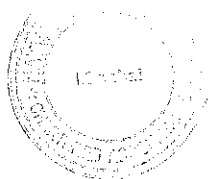
(Rs in lacs)

Particulars	Note No.	April 2017 - March 2018	April 2016 - March 2017
I Revenue from Operations :	20	4,183.48	2,580.39
II Other Income	21	59.18	613.35
III Total Income (I +II)		4,242.66	3,193.74
IV Expenses:			
Cost of material consumed	22	2,219.81	25.03
Purchases of stock-in-trade	23	148.56	817.96
Changes in inventories of finished goods, work-in progress and stock-in-trade	24	16.51	999.14
Employee benefits expense	25	128.34	141.97
Finance Costs	26	406.39	820.26
Depreciation & amortization	27	0.88	6.26
Other expenses	28	720.76	695.51
Total Expenses		3,641.25	3,506.14
V Profit/(Loss) before exceptional items and tax		601.41	(312.40)
VI Exceptional items Income / (Expense)			-
VII Profit / (Loss) before tax		601.41	(312.40)
VIII Tax expenses			
Current Tax		8.00	-
Deferred Tax Liability / (asset)		12.99	17.11
Total tax expenses		20.99	17.11
IX Profit / (Loss) for the period (VII-VIII)		580.42	(329.50)
X Other Comprehensive Income:			
Items that will not be reclassified to profit or loss net of taxes		(3.76)	1.71
		(3.76)	1.71
XI Total Comprehensive Income / (Loss) For The Period (IX +X)		576.66	(327.80)
XII Earnings per equity share			
Basic		1.16	(0.66)
Diluted		1.16	(0.66)

As per our report of even date

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
Partner
M.No. 124960
Place: Mumbai
Date: Septmeber 5 , 2018



For and on behalf of the Board of Directors
Ansaldo Caldaie Boilers India Private Limited

Chayan Bhattacharjee
DIN: 00107640

Jawahar Pachayappan
DIN: 02328081

Place: Mumbai
Date: Septmeber 5 , 2018

ANSALDO CALDAIE BOILERS INDIA PRIVATE LIMITED
CIN:-U28123TN2005PTC055309
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2018

	(Rs in lacs)	
Particulars	Apr 2017 - Mar 2018	Apr 2016 - Mar 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	601.41	(312.40)
Adjustments for :		
Depreciation	0.88	6.26
(Profit) / Loss on Sale of Assets		(0.69)
Sundry Balance Written Off	196.87	241.55
Reversal of Credit Losses	(23.08)	(11.01)
Interest Expenses	406.39	820.26
Interest Income	(2.49)	(3.68)
Sundry Balances Written Back	(6.04)	(442.89)
	572.53	609.80
Operating Profit Before Working Capital Changes	1,173.94	297.41
Trade and Other Receivables	570.73	565.65
Inventories	496.67	748.42
Other Non Financial Assets	278.90	277.81
Trade Payables and Provision	(55.64)	(580.44)
Other financial liabilities	(242.56)	-
Other non-financial liabilities	112.37	12.55
	1,160.47	1,023.98
CASH GENERATED FROM THE OPERATIONS	2,334.41	1,321.39
Direct Taxes Paid	(7.78)	(56.16)
Net Cash from Operating Activities	2,326.63	1,265.22
B CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(0.19)	(0.00)
Sale of Fixed Assets	-	1.80
Investment in Bank deposits	(0.57)	(13.94)
Interest Received	2.49	3.68
	1.72	(8.46)
Net Cash from Investment Activities	1.72	(8.46)
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(302.89)	(491.42)
Repayments of Borrowing	(1,747.05)	(780.40)
Net Cash from Financing Activities	(2,049.94)	(1,271.82)
NET INCREASE IN CASH AND CASH EQUIVALENTS	278.41	(15.06)
Balance as at 31 March 2017	6.38	21.44
Balance as at 31 March 2018	284.79	6.38
NET INCREASE IN CASH AND CASH EQUIVALENTS	278.41	(15.06)
Components of Cash and Cash Equivalents:		
Cash on Hand	0.03	0.08
Balances with Bank	284.76	6.31
	284.79	6.38

Note: Figure in brackets denote outflows

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

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan

Nuzhat Khan
Partner
M.No. 124960
Place: Mumbai
Date: Septmeber 5, 2018



For and on behalf of the Board of Directors
Ansaldo Caldaie Boilers India Private Limited

Chayan Bhattacharjee

Chayan Bhattacharjee
DIN: 00107640

Jawahar Natchayappan

Jawahar Natchayappan
DIN: 02328081

Place: Mumbai
Date: Septmeber 5, 2018

ANSALDO CALDAIE BOILERS INDIA PRIVATE LIMITED
CIN:-U28123TN2005PTC055309
Notes to financial statements for the year ended March 31, 2018
(All figures are Rupees in lacs unless otherwise stated)

Statement of Changes in Equity for the period ended March 31, 2018

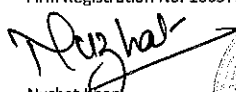
A Equity Share Capital

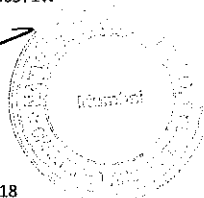
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Rupees	Number of Shares	Rupees
Equity shares of INR 10 each issued, subscribed and fully paid				
Opening Balance	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Changes in equity share capital during the year				
Balance at March 31, 2017	5,00,00,000	5,000.00	5,00,00,000	5,000.00

B Other Equity


Particulars	Retained Earnings	Security Premium Reserve	Capital Contribution	Total
Balance as at 31 March 2016	(7,628.51)	45.38	584.41	(6,998.72)
Profit for the year	(329.50)			(329.50)
Remeasurement gain/(loss) on defined benefit plans	1.71			1.71
Tax thereon				-
Balance as at 31 March 2017	(7,956.31)	45.38	584.41	(7,326.51)
Profit for the year	580.42			580.42
Remeasurement gain/(loss) on defined benefit plans	(3.76)			(3.76)
Tax thereon				-
Balance as at 31 March 2018	(7,379.65)	45.38	584.41	(6,749.85)

As per our report of even date
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W



Nuzhat Khan
Partner
M.No. 124960
Place: Mumbai
Date: Septmeber 5, 2018



For and on behalf of the Board of Directors
Ansaldo Caldaie Boilers India Private Limited


Chayan Bhattacharjee
DIN: 00107640

Place: Mumbai
Date: Septmeber 5, 2018


Jawahar Pathayappan
DIN: 02328081

1 SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation

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

a) Revenue

Revenue from sale of goods is recognised net of returns, product expiry claims and trade discount, on transfer of significant risk and rewards in respect of ownership to the buyer which is generally on dispatch of goods. Sales include excise duty but exclude sales tax and value added tax. Other items of Income are recognized on accrual and prudent basis.

On Bought out goods revenue is recognized upon the delivery of goods to the client in accordance with the terms of contract. Sales include Excise Duty & other receivable from the customers but exclude VAT, wherever applicable.

b) Interest Income:

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

c) Income from insurance claim:

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

iii) Employee benefits

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

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

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

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

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

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

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits

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

Termination benefits

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



iv) **Property, plant and equipment**

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

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

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

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

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

v) **Leased assets**

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

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

vi) **Intangible assets**

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

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

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

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

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

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

Impairment of Non-financial Assets

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

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

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

vii) **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.

viii) **Inventories**

Raw Materials are valued at cost, net of Excise duty and Value Added Tax, wherever applicable. Stores and spares, loose tools are valued at cost except unserviceable and obsolete items that are valued at estimated realizable value thereof. Costs are determined on weighted average method.

Work in progress on construction contracts reflects value of material inputs and expenses incurred on contracts.

ix) **Foreign currency transactions**

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

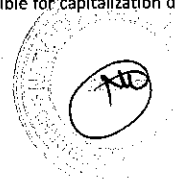
Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement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

x) **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.



xi) Taxes on income

Current Taxes

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

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

Deferred tax

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

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

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

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

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

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

xii) 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.

xiii) 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.

xiv) Leases

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

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

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

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

xv) 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:

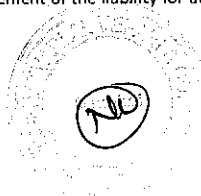
- Expected to be realized or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period,

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.



xvi) **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.

xvii) **Financial instruments**

a. **Financial assets:**

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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

Subsequent measurement

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

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

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

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

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary, joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

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Investment in associates, joint venture and subsidiaries

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

Impairment of financial assets

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

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

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

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

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

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:

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

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

Loans and borrowings

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

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

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

Financial guarantee contracts

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

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

d. Derivative financial instruments:

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

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

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

(All figures are Rupees in lacs unless otherwise stated)

A Tangible Assets

Particulars	Plant & Machinery	Office Equipments	Furniture And Fixtures	Computers	Total
GROSS BLOCK					
Opening Block as on April 1, 2016	0.74	82.32	85.93	1.15	170.15
Additions	-	-	-	-	-
Disposals/Adjustments	-	(22.98)	-	-	(22.98)
As at 31 March 2017	0.74	59.34	85.93	1.15	147.17
Additions	-	0.19	-	-	0.19
Disposals/Adjustments	-	-	-	-	-
As at 31 March 2018	0.74	59.54	85.93	1.15	147.36
DEPRECIATION					
Opening Block as on April 1, 2016	0.43	73.37	79.62	0.89	154.31
Charge for the Year	0.05	4.88	1.20	0.13	6.26
Disposals/Adjustments	-	(21.87)	-	-	(21.87)
As at 31 March 2017	0.48	56.38	80.82	1.02	138.70
Charge for the Year	0.05	0.05	0.68	0.11	0.88
Disposals/Adjustments	-	-	-	-	-
As at 31 March 2018	0.53	56.42	81.50	1.13	139.58
NET BLOCK					
As at 31 March 2017	0.26	2.97	5.11	0.13	8.47
As at 31 March 2018	0.21	3.12	4.44	0.02	7.78

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B OTHER NOTES

(All figures are Rupees in lacs unless otherwise stated)

3 Financial Assets - Non- Current Investments

(At Cost)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Shares	Rs	Shares	Rs
Trade Investment (unquoted)				
Investment in Jointly Controlled Entity:-				
Equity Shares	2,00,00,000	2,000	2,00,00,000	2,000
Ansaldo GB-Engineering Pvt Ltd (FV Rs.10)				
Total	2,00,00,000	2,000	2,00,00,000	2,000

(a) Investment in ACGB:

The Company is having 50% stake in the above Ansaldo GB-Engineering Pvt Ltd and the balance 50% is held by GB Engineering Enterprises P.Ltd

Ansaldo GB-Engineering Pvt Ltd has taken over the Assets and Liabilities of the Pudukudy division of GB Engineering situated at SF No 63 Pudukudy South under a Business Transfer Agreement (BTA) through a Slump Sale. As per BTA Agreement signed between the company with GB the business has been transferred on and from May 31st 2011. The Company carries on Engineering Jobwork for various customers at its plant located at Trichy

There is no business and future plans of Ansaldo GB-Engineering Pvt Ltd and one of the Share holder i.e., GB Engineering Enterprises P.Ltd is under liquidation process and is not in a position to support ACGB.

During the year the Company is in receipt of Possession Notice dated November 11, 2017, issued under section 13(4) of Securitisation and reconstruction of the Financial Assets and Enforcement of Security Interest Act 2002.

The said ACGB is pursuing the steps for one time settlement with the lenders and the Company is hopeful of a amicable resolution in the matter and the management feels that no impairment is necessary at this movement.

4 Financial Assets - Trade Receivables

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Trade Receivables :				
Considered good	938.11	-	884.72	822.65
Less: Expected credit loss	28.14	-	26.54	24.68
	909.97	-	858.18	797.97
Total	909.97	-	858.18	797.97

- (a) The Company had during the previous period entered in to revised contract with Nagai Power Private Limited (NPPL) dated 29/7/2016. As per the Revised contract ACBI will only supply the Boilers and spare parts to NPPL for a total Contract Value of Rs 7304 lacs and recoverability of total amount of Rs 3584.42 lacs from NPPL which is based on stages of work done by the Company. The said contract also confirms the amounts due as aforesaid.

During the current year the Company has completed substantial portion of Contract value. However there is still balance outstanding of Rs ~~2819.92~~ 989.67 lacs as at March 31, 2018. Out of the total Rs 1829.95 lac is received subsequently and the balance of Rs 989.67 lacs is still pending to be received by the Company.

The Management is hopeful of recovery of the amount and is holding Corporate Guarantee from the Customer for the same.

(b) Expected Credit Loss:

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. 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 forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date which is calculated on overdue

(ii) Movement in the expected credit loss allowance:

	As at March 31, 2018		As at March 31, 2017	
	Non-Current	Current	Non-Current	Current
Balance at the beginning of the period	83.00	24.68	83.00	35.69
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	1.60	(24.68)	-	(11.01)
Net movement in expected credit loss allowance on Other Asset calculated at lifetime expected credit losses - Other Asset	-	-	-	-
Provision at the end of the period	84.60	-	83.00	24.68

5 Financial Assets: Loans (at amortised cost)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Deposits				
Considered Good	9.66	-	9.66	-
Total	9.66	-	9.66	-

6 Other Financial Assets

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Margin Money placed with Holding Company for issuance of Guarantee	1,200.00	-	1,200.00	-
Margin Money for Bank Guarantee	31.68	-	30.01	-
Other Receivable from NPPL(refer note (a) below)	1,881.81	-	1,881.81	-
Less: Expected Credit loss (Refer Note 4(b))	56.45	-	56.45	-
Total	3,057.04	-	3,055.37	-

(a) The amount of Rs 1881.81 lacs represent the amount receivable from Nagai on account of bank Guarantee encashment .

7 Deferred Tax Assets (Net)

Particulars	As at March 31, 2018		As at March 31, 2017	
Deferred Tax Asset				
Depreciation		33.95		41.27
Employee benefits		2.41		8.09
Deferred Tax (Liabilities) / Assets (Net)		36.36		49.35

8 Other Assets

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Advance for Purchase of Land	1,500.00	-	1,500.00	-
Deferred Guarantee Commission	51.89	103.50	155.39	103.50
Prepaid Expenses	-	0.78	-	1.06
Advance Tax (Net of Provision)	109.44	-	201.66	-
Advance to Creditors/Subcontractors	-	12.24	-	263.54
Staff Advances	-	-	-	1.59
Balance with Tax Authority	-	-	-	25.73
Total	1,661.33	116.52	1,857.05	395.42

9 Inventories

Particulars	As at March 31, 2018		As at March 31, 2017	
Raw Material		118.83		598.99
Finished Goods		-		16.51
Total		118.83		615.50

Inventory Valuation Policy:

Raw Material

Lower of Cost computed on weighted average or net realisable value

Work In Progress

Lower of cost including material cost, labour cost and all overheads other than selling and distribution overheads or net realisable value.

Finished goods

Lower of Cost or net realisable value. Excise duty is considered as cost for finished goods wherever applicable.

10 Cash and Cash Equivalent

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on Hand	0.03	0.08
Balances with Bank	284.76	6.31
Total	284.79	6.38
Other Bank Balances		
Bank deposits	15.16	14.59
Total	15.16	14.59

11 Equity Share Capital

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of Shares	Amount	No of Shares	Amount
Authorised Capital :				
Equity Shares of Rs.10/- each	12,50,00,000	12,500.00	12,50,00,000	12,500.00
Issued, Subscribed and Fully Paid up Capital :				
Equity Shares of Rs.10/- each, fully paid	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Subscribed and Fully Paid up Capital				
Equity Shares of Rs.10/- each, fully paid	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Total		5,000.00		5,000.00

(b) Reconciliation of Number of Shares Outstanding

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Add: Issued during the year	-	-	-	-
As at the end of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00

(c) Details of Shareholding in Excess of 5%

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No of Shares	%	No of Shares	%
Gammon India Limited	3,67,00,000	73.40	3,67,00,000	73.40
Ansald Caldaie S.p.A	1,30,00,000	26.00	1,30,00,000	26.00

(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 shareholders.

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.

12 Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017
Surplus	(7,379.65)	(7,956.31)
Capital Contribution	584.41	584.41
Security Premium	45.38	45.38
TOTAL	(6,749.85)	(7,326.51)

13 Non Current Financial Liabilities - Borrowings

(a) Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current Maturities	Non Current	Current Maturities
Rupee Term Loan (RTL)	-	-	626.06	208.00
Working Capital Term Loan (WCTL)	972.00	276.00	1,648.00	276.00
TOTAL	972.00	276.00	2,274.06	484.00
The above amount includes				
Secured Borrowings	972.00	276.00	2,274.06	484.00
Unsecured Borrowings	-	-	-	-

- (a) The Company has entered into Corporate Debt Restructuring package with IDBI Bank with effect from 01st April, 2014. vide sanction letter dated 30th June'2014

Key features of the CDR proposal are as follows :

- Reschedulement of existing Term Loans (RTL) of RS 675 lacs payable over a period of ten years.
- Funding of interest on WCTL and existing rupee term loan (RTL) by way of a fresh rupee term loan (RTL 2) of Rs 375 lacs. This loan is further split into two loans a) Rs 281 lacs and b) Rs 94 lacs.
- Conversion of various irregular in working capital limits into Working Capital Term Loan (WCTL).
- IDBI shall have the right to recompense the relief/sacrifices/waivers extended.

(b) Securities for Term Loans :*** Rupee Term Loan (RTL)**

1st charge by way of hypothecation over all the stocks and book debts and other current assets present and future except for the specifically charged assets, if any.

1st charge over all the fixed assets of the Company both present and future.

Corporate Guarantee of Gammon India Limited.

*** Working Capital Term Loan (WCTL) -**

1st charge by way of hypothecation over all the stocks and book debts and other current assets present and future except for the specifically charged assets, if any.

1st charge over all the fixed assets of the Company both present and future.

*** Interest on Term Loans -**

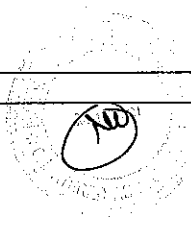
The above mention term loans carry an interest rate which is @MCLR Rate + 310 bps payable on 1st day of each month. Currently IDBI bank's Base Bank Rate is at 12.40% p.a.

(d) Repayment Term

Type of Loan	Repayment Schedule
RTL - 1	Repayable in 32 quarterly instalments commencing from May 1, 2016 after monotorium period of 2 years as mentioned below : a) 31 installments of Rs 21 lacs each ; b) 32nd installment of Rs 24 lacs
RTL - 2 (a)	Repayable in 12 quarterly instalments commencing from May 1, 2016 after monotorium period of 1 year as mentioned below : a) 11 installments of Rs 23 lacs each ; b) 12th installment of Rs 28 lacs.
RTL - 2 (b)	Repayable in 12 quarterly instalments commencing from May 1, 2016 after monotorium period of 1 year as mentioned below : a) 11 installments of Rs 8 lacs each ; b) 12th installment of Rs 6 lacs
WCTL	Repayable in 32 quarterly instalments commencing from May 1, 2016 after monotorium period of 2 years as mentioned below : a) 31 installments of Rs 69 lacs each ; b) 32nd installment of Rs 61 lacs

(e) Maturity profile of Term Loans

Period	As at March 31, 2018	As at March 31, 2017
Upto 1 Year	276.00	484.00
1 to 5 Years	972.00	1,559.06
Above 5 Years	-	715.00
TOTAL	1,248.00	2,758.06

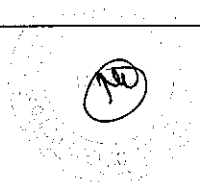


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Particulars	As at March 31, 2018		As at March 31, 2017	
	Non-Current	Current	Non-Current	Current
Provision for Employee Benefits:				
Provision for Gratuity	-	4.28	-	17.60
Provision for Leave Encashment	7.87	3.45	5.79	2.78
Total	7.87	7.73	5.79	20.38

(a) Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits- Gratuity

Table Showing Change in the Present Value of Projected Benefit Obligation	2017-18	2016-17
Present Value of Benefit Obligation at the Beginning of the Period	65.91	60.60
Interest Cost	4.95	4.76
Current Service Cost	1.71	2.18
Benefits Paid	(49.62)	
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	3.01	0.34
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.41)	(1.97)
Present Value of Benefit Obligation at the End of the Period	24.54	65.91
Table Showing Change in the Fair Value of Plan Assets	2017-18	2016-17
Fair Value of Plan Assets at the Beginning of the Period	48.31	13.33
Interest Income	3.63	1.05
Contributions by the Employer	20.11	33.08
Benefit Paid from the Fund	(49.62)	-
Return on Plan Assets, Excluding Interest Income	(2.16)	0.84
Fair Value of Plan Assets at the End of the Period	20.27	48.31
Table Showing Change in the Fair Value of Plan Assets	2017-18	2016-17
Present Value of Benefit Obligation at the end of the Period	(24.54)	(65.91)
Fair Value of Plan Assets at the end of the Period	20.27	48.31
Net (Liability)/Asset Recognized in the Balance Sheet	(4.28)	(17.60)
Expenses Recognized in the Statement of Profit or Loss for Current Period	2017-18	2016-17
Current Service Cost	1.71	2.18
Net Interest Cost	1.32	3.72
Expenses Recognized	3.03	5.89
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period	2017-18	2016-17
Actuarial (Gains)/Losses on Obligation For the Period	1.59	(1.63)
Return on Plan Assets, Excluding Interest Income	2.16	(0.84)
Net (Income)/Expense For the Period Recognized in OCI	3.76	(2.47)
Balance Sheet Reconciliation	2017-18	2016-17
Opening Net Liability	17.60	47.27
Expenses Recognized in Statement of Profit or Loss	3.03	5.89
Expenses Recognized in OCI	3.76	(2.47)
(Employer's Contribution)	(20.11)	(33.08)
Net Liability/(Asset) Recognized in the Balance Sheet	4.28	17.60
Category of Assets	2017-18	2016-17
Insurance fund	20.27	48.31
Total	20.27	48.31



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Assumptions	2017-18	2016-17
Expected Return on Plan Assets	7.51%	7.86%
Rate of Discounting	7.51%	7.86%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Sensitivity Analysis	2017-18	2016-17
Projected Benefit Obligation on Current Assumptions	24.54	65.91
Delta Effect of +1% Change in Rate of Discounting	(1.11)	(0.93)
Delta Effect of -1% Change in Rate of Discounting	1.26	1.06
Delta Effect of +1% Change in Rate of Salary Increase	1.24	1.08
Delta Effect of -1% Change in Rate of Salary Increase	(1.12)	(0.97)
Delta Effect of +1% Change in Rate of Employee Turnover	0.04	0.19
Delta Effect of -1% Change in Rate of Employee Turnover	(0.04)	(0.20)

Risk Assumptions:

- (i) Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- (ii) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- (iii) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
- (iv) Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- (v) Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
- (vi) Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Other Note :

- (i) Gratuity is payable as per company's scheme as detailed in the report.
- (ii) Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.
- (iii) Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
- (iv) Maturity Analysis of Projected Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.
- (v) Average Expected Future Service represents Estimate Term of Post - Employment Benefit Obligation
- (vi) Value of assets provided by the client is considered as fair value of plan assets for the period of reporting as same is not evaluated by us.

15 Current Financial Liabilities - Borrowings

The borrowings are analysed as follows :

Particulars	As at March 31, 2018	As at March 31, 2017
Loans Repayable on Demand :		
Cash Credit from Bank	-	444.99
Other Loans and Advances :		
Related Parties	1,125.13	1,125.13
TOTAL	1,125.13	1,570.12
The above amount includes		
Secured Borrowings	-	444.99
Unsecured Borrowings	1,125.13	1,125.13

(b) **Securities - Cash Credit from IDBI Bank :**

1st charge on current assets of the company both present and future.

1st Mortgage and charge on all the immovable and movable assets of the company , both present and future.

Unconditional and irrevocable Corporate Guarantee of Gammon India Limited.

The above mention term loans carry an interest rate which is @ MCLR + 310 bps payable on 1st day of each month. Currently IDBI bank's Base Rate plus 310bps is at 12.25% p.a.

- (c) Since the loan from Banks has been restructured there is no default as on March 31, 2016 . Also the Company has not defaulted in repayments of dues outstanding to the lenders as on March 31, 2017.
- (d) The Company has taken loan from Its holding company on which interest is payable @9% p.a on monthly basis. However the Company has not paid interest amounting to Rs 55.99 lacs (PY : 33.01 lacs) as on the date of Balance Sheet. In view of the financial difficulty faced by the Company , the management has decided to seek for waiver of interest from Gammon India Limited and accordingly no interest is provided from current year. However consent of Gammon India Limited to the waiver is pending receipt. The amount of interest for which waiver is sought is Rs 14 lacs.
- (e) The Company has taken interest free loan from Gammon Realty Limited and the same is repayable on demad.

16 Current Financial Liabilities - Trade Payables

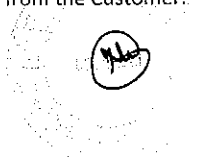
Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables		
Micro, Small and Medium Enterprises	-	-
Others	2,314	2,362
Total	2,314	2,362

- (i) As per the intimation available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and 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.
- (ii) The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.
- (iii) The balances lying in the Trade Payables are subject to confirmation and consequent reconciliation

17 Other Current Financial Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Current Maturities of Term Loan	276.00	484.00
Interest Accrued And Due (Refer note a below)	553.97	553.97
Interest Accrued But Not Due	-	34.57
Other Payables- Related Party (Refer note a below)	1,881.81	1,881.81
Total	2,711.78	2,954.34

- (a) Interest accrued and due represents the amount payable to Holding Company which is due beyond the agreed terms.
- (b) One of the customer has encashed BG issued by the Bankers of the Holding Company. This amount has been shown as payable to Holding Company and receivable from the Customer.



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18 Other Current Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Client Advances	1,031.63	1,015.70
Duty & Taxes Payable	120.83	24.31
Share Application Money Pending allotment(refer Note below)	1,663.97	1,663.97
Others	99.15	99.23
Total	2,915.58	2,803.21

- (a) The Company had received amounts as Share Application Money of Rs. 16,63,96,600 for further allotment of shares which were to be issued on terms and conditions to be decided by the Board and in line with the extant regulation of the RBI. The Reserve Bank of India had on January 29, 2014 directed the company to refund the said amounts to Ansaldo Caldaie s.p.A. The company has subsequently applied to RBI vide letter dated 28th February 2014 to convert the share application money as ECB Loan which has also been approved by the Board of Ansaldo Caldaie s.p.A. However on 25 June 14 RBI had turned down the companies request to convert the share application money in to loan and directed to allot the share or refund the money within one year. Since Ansaldo S.p.A was unable to increase its holding in the company in the absence of equivalent contribution from the holding company, it has irrevocably waived its right to be allotted further equity shares and has also waived its right to received a refund of the advance share application money vide its letter dated 18th May 2015 Submitted to Reserve Bank of India.

The Company has received letter from RBI dated August 16 , 2018 directing the Company to refund the excess Share Application money received from Ansaldo Caldaie s.p.A with in 15 days of receipt of the letter falling which will constitute as continuing violation and action under FEMA, 1999 will be taken including the referring to Directorate of Enforcement.

With reference to above the Company has replied to RBI stating various reasons which includes:

- No viability of the Company to generate current and future revenue.
- No sufficient network of the Company for repayment (Rs 2326.51 lacs negative as at March 31, 2017)
- Cashflow from the current projects of the Company is limited to pending dues of completed projects and towards lenders against Principal and interest.
- Gammon India Limited the holding Company is referred to NCLT and hence is unable to extend and kind of financial support.

The management is hopeful of a favourable response to its reply granting its permission not to allot shares and permit non-refund of the amount.

19 Current Tax Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for taxation (net of taxes paid)	(87.07)	4.93
Total	(87.07)	4.93

20 Revenue from Operations

Particulars	April 2017 -March 2018	April 2016 - March 2017
Turnover	4,129.44	2,416.20
Other Operating Revenue	54.04	164.19
Total	4,183.48	2,580.39

21 Other Income

Particulars	April 2017 -March 2018	April 2016 - March 2017
Interest Income	2.49	3.68
Miscellaneous Income	26.91	5.32
Profit on Sale of Assets	-	0.69
Exchange Gain	0.66	149.76
Sundry Balances Written Back	6.04	442.89
Reversal of Expected Credit Loss	23.08	11.01
Total	59.18	613.35

22 Cost of Materials Consumed

Particulars	April 2017 -March 2018	April 2016 - March 2017
Opening Stock	598.99	348.27
Add : Purchases (Net of Discount)	1,739.65	275.76
Less : Closing Stock	118.83	598.99
Total	2,219.81	25.03

23 Purchases of Traded Goods

Particulars	April 2017 - March 2018	April 2016 - March 2017
Turbine & Generators Parts & Auxillaries	148.56	817.96
Total	148.56	817.96

24 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Particulars	April 2017 - March 2018	April 2016 - March 2017
Inventory Adjustments - FG		
Stock at Commencement	16.51	1,015.65
Less : Stock at Closing	-	(16.51)
Total	16.51	999.14

25 Employee Benefits

Particulars	April 2017 - March 2018	April 2016 - March 2017
Salaries, Bonus, Perquisites etc.	108.65	126.23
Contribution to PF and other welfare funds.	18.56	14.16
Staff Welfare Expenses	1.13	1.57
Total	128.34	141.97

26 Finance Cost

Particulars	April 2017 - March 2018	April 2016 - March 2017
Interest Expense	299.27	710.55
Interest on direct taxes	0.68	0.25
Guarantee Commission	103.50	103.50
Other Borrowing Cost	2.94	5.96
Total	406.39	820.26

27 Depreciation & Amortisation

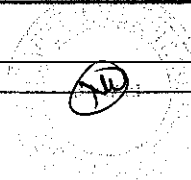
Particulars	April 2017 - March 2018	April 2016 - March 2017
Depreciation	0.88	6.26
Total	0.88	6.26

28 Other Expenses

Particulars	April 2017 - March 2018	April 2016 - March 2017
Fabrication Charges paid	51.07	349.06
Labour Charges	21.57	26.85
Plant hire	-	1.27
Freight Charges	-	6.52
Power & Fuel	1.59	1.36
Fees & Consultations	3.57	13.90
Rent	12.81	11.28
Rates & Taxes	1.28	10.62
Travelling Expenses	21.09	13.15
Communication	0.76	0.49
Insurance	2.33	3.62
Repair & Maintenance:		
Plant & Machinery	1.39	4.62
Others	-	4.00
Bank Charges	1.04	2.63
Bad debts	375.00	-
Sundry Balance Written Off	196.87	241.55
Sundry Expenses	3.32	2.33
Service Tax credits not allowed	22.05	-
Conversion Charges	2.77	-
Remuneration to Auditors	2.25	2.25
Total	720.76	695.51

(a) Remuneration to Statutory Auditors

Particulars	April 2017 - March 2018	April 2016 - March 2017
Audit Fees	2.00	2.00
Certification	0.25	0.25
Total	2.25	2.25



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Particulars	April 2017 - March 2018	April 2016 - March 2017
Income tax expense in the statement of profit and loss consists of:		
Current Tax	8.00	-
Deferred tax	12.99	17.87
Income tax recognised in statement of profit or loss	20.99	17.87

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

	April 2017 - March 2018	April 2016 - March 2017
Current Tax		
Accounting profit before income tax	601.41	(425.01)
Enacted tax rates in India (%)	34.61%	34.61%
Computed expected tax expenses	208.14	(147.09)
Effect of non- deductible expenses	4.20	3.39
Effects of deductible Expenses	(23.84)	(23.32)
Deduction against Brought forward losses	(188.49)	-
Tax as per Normal Provision	-	-
 Tax Liability as per MAT	 19.06%	 19.06%
Accounting profit before income tax	601.41	(425.01)
Computed expected tax expenses	114.60	-
Effect of non- deductible expenses	0.13	-
Effects of deductible Expenses	(106.73)	-
Net tax Liability as per MAT	8.00	-

Deferred Tax Movement

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	Closing Balance
Property, Plant and Equipment	50.10	(8.84)		41.27
Employee benefits	17.12	(8.27)	(0.76)	8.08
As at March 31, 2017	67.22	(17.11)	(0.76)	49.35
Property, Plant and Equipment	41.27	(7.31)	-	33.95
Employee benefits	8.08	(5.67)	-	2.41
As at March 31, 2018	49.35	(12.99)	-	36.36

30 Earning Per Share

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

Particulars	April 2017 - March 2018	April 2016 - March 2017
Net Profit attributable to the Equity Share holders	580.42	(329.50)
O/s number of Equity Shares at the end of the year	5,00,00,000	5,00,00,000
Weighted Number of Shares during the period – Basic	5,00,00,000	5,00,00,000
Weighted Number of Shares during the period – Diluted	5,00,00,000	5,00,00,000
Earning Per Share – Basic (Rs.)	1.16	(0.66)
Earning Per Share – Diluted (Rs.)	1.16	(0.66)

Reconciliation of weighted number of outstanding during the year :

Particulars	April 2017 - March 2018	April 2016 - March 2017
Nominal Value of Equity Shares (Rupee Per Share)	10.00	10.00
For Basic EPS :		
Number of Equity Shares at the beginning	5,00,00,000	5,00,00,000
Add : Issue of shares	-	-
Outstanding Equity shares at the year end	5,00,00,000	5,00,00,000
No. of Equity Shares considered for EPS Calculation	5,00,00,000	5,00,00,000
Weighted Avg of Equity Shares considered for EPS	5,00,00,000	5,00,00,000
For Dilutive EPS :		
Weighted Avg no. of shares in calculating Basic EPS	5,00,00,000	5,00,00,000
Add : Dilutive Shares to be issued	-	-
Weighted Avg no. of shares in calculating Dilutive EPS	5,00,00,000	5,00,00,000

31 Disclosure under Indian Accounting Standard (Ind AS) 17 Leases

The Company has taken various residential / godowns / offices premises (including Furniture and Fittings if any) under leave and licence agreements. These generally range between 11 months to 3 years under leave and licence basis. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits. The lease payments are recognized in the Statement Profit and Loss

32 Contingent Liability

Particulars	March 31, 2018	March 31, 2017
i Disputed amounts in respect of demands raised by the Income Tax not provided for	217.83	235.13

33 Segment Reporting as per IND AS108 " Operating Segments"

The entire operations of the Company relate to only one segment viz.Engineering & Construction. As such, there is no separate reportable segment under IND AS 108 on Operating Segments.

Revenue of Rs 4127.54 lacs arising from one major customer being Privately controlled entities contribute to more than 10% of the total revenue of the Company.

34 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.

35 Significant Accounting Judgements, 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 .

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, 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 judgement 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)

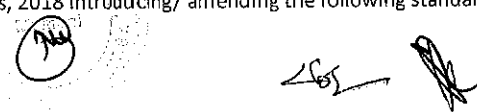
The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount 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.

36 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 introducing/ amending the following standards:



(i) Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued on March, 29 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 1, 2018. The Company plans to adopt the new standard on the required effective date using the modified retrospective method. During 2017-18, the Company performed a detailed assessment of Ind AS 115 to determine the impact on its financial statement. The overall effect of implementation of Ind AS 115 is not expected to be material on the recognition and measurement of revenues, though there would be additional disclosure requirements to comply with.

(ii) Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of

(iii) Amendments to Ind AS 40 - Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight. The amendments are effective for annual periods beginning on or after April 1, 2018. These amendments are not expected to have any impact on the Company as the Company does not have assets that are in the scope of the amendments.

(iv) Appendix B to Ind AS 21 - Foreign Currency Transactions and Advance Consideration

t, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 1, 2018. The Company's current accounting practice is already in line with the aforesaid clarification.

37. Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2018, March 31, 2017 is as follows:

	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Carrying Value		Fair Value	
Financial Assets				
Amortised Cost				
Other Investments				
Loans	9.66	9.66	9.66	9.66
Others	3,057.04	3,055.37	3,057.04	3,055.37
Trade receivables	909.97	1,656.16	909.97	1,656.16
Cash and cash equivalents	284.79	6.38	284.79	6.38
Bank Balance	15.16	14.59	15.16	14.59
Total Financial Assets	4,276.61	4,742.15	4,276.61	4,742.15

Financial Liabilities**Amortised Cost**

Borrowings	2,097.13	3,844.18	2,097.13	3,844.18
Trade payables	2,314.27	2,361.62	2,314.27	2,361.62
Others	2,711.78	2,954.34	2,711.78	2,954.34
Total Financial Liabilities	7,123.18	9,160.14	7,123.18	9,160.14

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.

38 Fair Value Hierarchy

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

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. An explanation of each level follows underneath the table.

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

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

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.

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.

<i>(in full figures)</i>			
Foreign currency exposure	USD	Euro	Rs in lacs
as at 31st March, 2018			
Trade payables	5,34,362	17,99,515	1,798.38
Trade Receivables	-	-	-
Total unhedge exposure	5,34,362	17,99,515	1,798.38
Foreign currency exposure	USD	Euro	Rs in lacs
as at 31st March, 2017			
Trade payables	5,34,362	17,99,515	1,592.59
Trade Receivables	-	6,878	4.76
Total unhedge exposure	5,34,362	17,92,637	1,587.83

Foreign currency sensitivity

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.

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax.

(Rs in lacs)				
Increase/(decrease) in profit or loss	1 % Increase	1 % decrease	1 % Increase	1 % decrease
	2017-18		2016-17	
USD	3.48	(3.48)	3.46	(3.46)
Euro	14.51	(14.51)	12.41	(12.41)

The Company's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact on the operating profits of the Company.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables from NAGAI amounting to Rs. 3155.53 lacs as of March 31, 2018. To manage this, the Company monitors whether the collections are made within the contractually established deadlines.

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.

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, 2018	Plus 100 basis point	23.73
	Minus 100 basis points	(23.73)
March 31, 2017	Plus 100 basis point	43.28
	Minus 100 basis points	(43.28)

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.

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 position of the Company is given below:

Particulars	March 31, 2018	March 31, 2017
Cash and Cash Equivalent	284.79	6.38
Bank Balance	15.16	14.59
Trade Receivables	-	797.97
Inventories	118.83	615.50
Total	418.78	1,434.45

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.

As at March 31, 2018	Less than 1 year	1 to 5 years	Total
Long term Borrowing	276.00	972.00	1,248.00
Short term borrowings	1,125.13		1,125.13
Trade payables	2,314.27	-	2,314.27
Other financial liabilities	2,435.78		2,435.78
Total	6,151.18	972.00	7,123.18

As at March 31, 2017	Less than 1 year	1 to 5 years	Total
Long term Borrowing	484.00	2,274.06	2,758.06
Short term borrowings	1,570.12	-	1,570.12
Trade payables	2,361.62	-	2,361.62
Other financial liabilities	2,470.34	-	2,470.34
Total	6,886.08	2,274.06	9,160.14

39 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 parent. 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, 2018	March 31, 2017
Gross Debt	2,373.13	4,328.18
Less:		
Cash and Cash Equivalent	284.79	6.38
Bank Balance	15.16	14.59
Net debt (A)	2,073.18	4,307.21
Total Equity (B)	(1,749.85)	(1,589.87)
Gearing ratio (A/B)	(1.18)	(2.71)

- 40 The Company is facing financial difficulties and material uncertainties relating to Operations and cashflows which is significantly impairing its ability to continue as a going concern. More specifically the company is facing the following issues:
1. The company has incurred substantial cash losses in its operations (in previous periods) and more than 50% of its network is eroded.
 2. The Current liabilities of the Company is more than the Current Assets by Rs 8489.42 lacs .
 3. There are no Orders on hand and the power sector is already laden with troubled projects and facing uncertainties.
 4. The RBI has directed the Company to refund the excess share application money received as detailed in note 18(a).
 5. The investment in Ansaldo GB-Engineering Pvt Ltd is facing impairment issues on account of defaults to their bankers resulting in possession of properties of ACGB by lenders for auction. Refer Note 3.

The management is hopeful of tiding over these problems with amicable resolution with lenders and RBI. The the Company has made profits in the current year and out of the collection repaid its majority of the debts towards lenders. The Company is also in negotiation with various customers for getting manufacturing and spares contracts and succeeded in getting few. The Company is also taking up the overseas opportunities with its associate companies which can give the new order to substantiate future operations of the Company.

The management also is constantly pursuing new opportunities in the power sector and therefore is of the view that there are material uncertainties relating to going concern but is hopeful of reviving the Company.

- 41 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, 2018.

As per our report of even date

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. 106971W

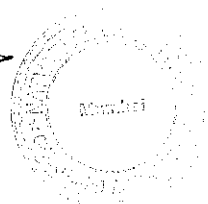
Nuzhat Khan

Partner

M.No. 124960

Place: Mumbai

Date: September 5, 2018



For and on behalf of the Board of Directors

Ansaldo Caldaie Boilers India Private Limited

Chayan Bhattacharjee

DIN: 00107640

Place: Mumbai

Date: September 5, 2018

Jawahar Kachayappan

DIN: 02328081

Ansaldo Caldaie Boilers India Private Limited
(All figures are Rupees in lacs unless otherwise stated)

ANNEXURES ATTACHED TO AND FORMING PART OF THE NOTES TO ACCOUNTS FOR THE EIGHTEEN MONTH ENDED 31ST MARCH, 2018

Annexure - I : Related Party Disclosure

A. List of Related Parties and Relationship

a) Holding Company

- 1 Gammon India Limited
- 2 Ansaldo Caldaie S.p.A

b) Joint Venture

Ansaldo GB-Engineering Pvt Ltd

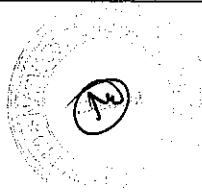
c) Fellow Subsidiary

- 1 Ras Cities & Townships Private Limited
- 2 AC Project Office
- 3 Gammon Realty limited

B. Transactions with Related Parties

Particulars	Holding Company		Joint Venture & Fellow Subsidiary			
	Gammon India Limited	Ansaldo Caldaie S.p.A	Ras Cities & Townships Private Limited	AC Project Office	Ansaldo GB-Engineering Pvt Ltd	Gammon Realty limited
Transactions during the year						
Purchase of goods and services	-	-	-	-	28.53	-
	-	(24.80)	-	-	-	-
Sale of goods and services	-	-	-	-	-	-
	-	(26.24)	-	-	-	-
Interest Paid	-	-	-	-	-	-
	(264.05)	-	-	-	-	-
Guarantee Expenses (INDAS)	103.50	-	-	-	-	-
	(103.50)	-	-	-	-	-
Reimbursement of Expenses	-	-	-	-	-	-
	(0.24)	-	-	-	(0.29)	-
Amount Liquidated towards Expenses	-	-	-	-	-	-
	-	-	-	(0.04)	-	-
Closing Balances	-	-	-	-	-	-
Share Application Money pending Allotment	-	1,663.97	-	-	-	-
	-	(1,663.97)	-	-	-	-
Margin Money placed for issuance of Guarantee	1,200.00	-	-	-	-	-
	(1,200.00)	-	-	-	-	-
Share Application Money Paid	-	-	-	-	-	-
	-	-	-	-	-	-
Receivables	-	-	1,500.00	-	-	50.00
	-	-	(1,500.00)	-	(178.65)	(50.00)
Payables	2,956.94	1,241.36	-	-	-	-
	(2,956.94)	(1,241.36)	-	-	-	-
Capital Contribution	584.41	-	-	-	-	-
	(584.41)	-	-	-	-	-
Interest payable	592.28	-	-	-	-	-
	(592.28)	-	-	-	-	-

Negative figure denotes Previous figure.



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