

# NAYAN PARIKH & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

OFFICE NO. 9, 2<sup>ND</sup> FLOOR, JAIN CHAMBERS, 577, S.V. ROAD, BANDRA (WEST), MUMBAI 400050, INDIA.

PHONE : (91-22) 2640 0358, 2640 0359

## INDEPENDENT AUDITOR'S REPORT

**To the Members**

**Gammon Infrastructure Projects Limited,**

### **Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Gammon Infrastructure Projects Limited, (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), (as defined in the Companies (Indian Accounting Standards) Rules, 2015, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

### **Management's Responsibility for the Consolidated Ind AS financial statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group 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. The respective Governing Bodies of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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



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reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

## Basis of Qualified Opinion

- a. *Attention is invited to note 26(a) of the Consolidated Ind AS Financial Statements relating to the excess managerial remuneration paid of Rs. 497.17 lacs for the period upto March 2017 for the reasons detailed in the aforesaid note. The Company had once again submitted its representation to the Ministry to reconsider its decision and allow the waiver of recovery of the excess remuneration paid aggregating to Rs. 388.45 lacs for the period upto March 2016. If the Company's representation is not accepted then the company would be required to recover the excess remuneration from the managerial personnel and to that extent the profit will be higher by an amount of Rs. 388.45 lacs. Pending the same no adjustments have been made to the financial results. Subject to the outcome of the representation made to the MCA, we are unable to ascertain the impact on profits on this account for the quarter and the year ended March 31, 2018. Similarly for the previous period ended March 31, 2017, the remuneration in excess of the limits computed under the provisions of Section 197 read with Schedule V to the Companies Act 2013 is Rs. 108.72 lacs for which the Company has made an application to the MCA for approval of the same. Pending these approvals, no adjustments have been made to the financial results for the remuneration of the said period. This matter was qualified in the auditors' report dated June 18, 2017 by the previous auditors' on the financial statements for the year ended March 31, 2017.*
- b. *Attention is invited to Note no 37 of the Consolidated Ind AS Financial Statements in respect of status of the Tolling Road Project in Andhra Pradesh where termination notice was received from NHAI on 26th August 2016 and consequently, NHAI took over possession of toll plaza. Based on the subsequent negotiation and discussion with NHAI, they agreed to revoke the termination notice vide its letter dated 16th January 2017, subject to completing of financial closure and fulfilling of other commitments specified in the letter within the stipulated timeframe. The Company could not fulfil the said conditions. Ultimately on 8th September 2017, the Company made an application to NHAI for mutual exit from the project. The decision of NHAI in response to the aforesaid letter of mutual exit is pending.*

*In case the mutual exit proposal is accepted then the exposure of the Group is likely to be capped*



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at Rs. 6,337.07 lacs as the Bank Guarantee would be released as requested by the Company in its letter dated 8th September 2017. In case the proposal is not accepted then the entire exposure of Rs. 14,757.07 lacs of the Group in the Project needs to be tested for impairment. Accordingly, the decision of NHAI is more likely to have adverse impact on the Statement of Profit and Loss. No effects have been given in the financial statements of the SPV pending the decision of NHAI. The Auditors of the SPV have, in their audit report on the financial statements of the SPV for the year ended on 31st March 2018, carried a paragraph on Material Uncertainty related to Going Concern. The decision of the NHAI is awaited for determining the possible impairment and giving necessary effects. Pending the decision of NHAI we are unable to quantify the impairment that would be required in the matter and consequent impact on the Consolidated Financial Statements.

- c. Attention is invited to Note no. 38 of the Consolidated Ind AS Financial Statements, where the Company has defaulted in fulfilling its obligation under the one time settlement (OTS) with IFCI Limited. The Company was required to pay the entire outstanding by September 30, 2017. The Company has been unable to discharge the liability and has not been able to get further extension for the payment of the outstanding although it is actively engaged with IFCI Limited for obtaining the extension and/or non-reversal of the benefits of the OTS. In terms of the original arrangement, the benefits received under the one time settlement were to be reversed. Although the management is hopeful of obtaining the extension and / or non-reversal of the benefits of the OTS, pending the acceptance by IFCI Limited we are unable to state whether the Company has to account for the reversal of benefits of Rs. 3,776.69 lacs in its financial statements. The company has however provided interest at the rate of 11.50% p.a. as per the agreement. The interest payable on the outstanding amount before reversal of the aforesaid benefit as on balance sheet date is Rs 158.13 lacs

## 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 consolidated 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, of the consolidated state of affairs of the Group, as at March 31, 2018, their consolidated loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

## Material Uncertainty relating to Going Concern

We invite attention to Note 39 of the Consolidated Ind AS Financial Statements, wherein the Company has stated that as of that date the Company's current liabilities exceeded current assets resulting in continued mismatch despite the sale of some of the SPVs in the previous periods. There is therefore a continuing mismatch including defaults in payment of its financial obligations. The management is taking active steps to tide over the present situations for which based on detailed evaluation of the current situation plans are formulated and active discussions are underway with various stakeholders. These conditions, along with matters arising out of pending conclusions of decisions in some of the SPVs set forth in the Note 7 of the Statement and the fact of some SPV Auditors' report carrying a paragraph on material uncertainty related to going concern as mentioned in



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Note 6 of the Statement 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 the following matters;

- a. We invite attention to Note. 40(a) of the Consolidated Ind AS Financial Statements, regarding unilateral termination and closure of Concessions in a bridge project, which is subject to pending litigations/arbitrations at various forums, which may impact the carrying values of investments and loans and advances given to the subsidiary. The Company's exposure towards the said project (funded and non-funded) is Rs.1,122.33 lacs. Pending conclusion on these legal matters, no adjustments have been made in the financial statements.
- b. We invite attention to Note. 40(b) of the Consolidated Ind AS Financial Statements, in relation to intention to exit one of the hydro power projects at Himachal Pradesh and seeking a claim of an amount against the amount spent on the project. The Company's subsidiary has cited reasons for non-continuance on account of reasons beyond its control. The subsidiary is negotiating with its client for an amicable settlement on beneficial terms and has also invoked arbitration. The exposure of the Group towards the said project is Rs. 6,787.12 lacs. Pending conclusion between the parties, no adjustments have been made in the financial statements.
- c. We invite attention to Note. 40(c) of the Consolidated Ind AS Financial Statements. As mentioned in the said note, in respect of one of the port project, a draft supplementary agreement has been discussed between the parties under which the project would go for a re-bid and the SPV has a Right Of First Offer. The management is hopeful that it will successfully match the bid and win the concession and continue to operate the facility, which would be operationally viable under the revised terms. The management has during the year acquired further stake from the JV partner and has obtained control over the JV and holds 74% of the equity of the SPV Company. Pending execution of the supplementary agreement and the conclusion of the Re-bid, no adjustments have been made in the financial statements. The auditors' of the SPV have included a separate paragraph on Material Uncertainty related to Going Concern. The exposure of the Group towards the said project is Rs. 69,863.47 lacs (funded and non-funded). Pending the conclusion of the Re-bid and the draft supplementary agreement being finalised, no adjustments have been made in the financial statements.
- d. We invite attention Note. 40(d) of the Consolidated Ind AS Financial Statements, in respect of a tolling bridge project in Andhra Pradesh where the monthly toll collections are not sufficient to pay the interest and the resultant defaults in the loan repayment resulting in the facility being marked NPA. The SPV had earlier submitted a proposal under the Scheme for Sustainable Structuring of Stressed Assets (S4A) to the Lenders, which was cleared by the Lenders for approval of the Overseeing Committee (OC) set up by the Indian Banking Association (IBA), in consultation with the Reserve Bank of India (RBI). The SPV provided its response to the observations of the Lenders and the OC on the S4A proposal and was awaiting the OC/lenders' approval. In the interim, RBI vide its circular dated 12th February 2018, discontinued with immediate effect all restructuring schemes for stressed assets (including S4A). As per this circular, all schemes,





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including S4A which have been invoked but not implemented, shall be governed by the new circular. Thus the restructuring proposal proposed by the Company is no longer being pursued by the Lenders. Subsequently the Company has issued a cure period notice to Andhra Pradesh Road Development Corporation (APRDC or the Client) on 26<sup>th</sup> February 2018 under clause 37.2.1 of the Concession Agreement to cure the breaches of APRDC which includes provision of Revenue shortfall loan along with other mentioned breaches. Pending receipt of the response to the notice for cure period, no adjustments have been made in the financial statements. The auditors of the SPV have included a separate paragraph on Material Uncertainty related to Going Concern on the matter. The Exposure of the Group towards the project is Rs. 1,03,437.56 lacs (funded and non-funded).

- e. We invite attention to Note. 40(e) of the Consolidated Ind AS Financial Statements, an annuity project of the Company where the SPV has accounted for the asset as a financial asset. The SPV will have cost overrun on account of issue beyond the scope of the SPV and attributable to the Grantor. This will not result in any changes in the Annuity from the grantor. However this amount would be treated separately as receivable from the Grantor based on certification of delay period attributable to the Grantor certified by the Independent Engineer. The SPV expects a sizeable claim on this amount and has obtained legal support for the validity of its claim from an Independent Expert on claim and litigation. The SPV had also separately applied to the lenders for Scheme for 5:25 Flexible Structuring Scheme for which sanction from two banks among consortium members had been received and sanction from rest bankers were expected in near future. However, in view of the RBI circular dated 12<sup>th</sup> February 2018, all restructuring schemes for stressed assets (including 5/25 Flexible Structuring Scheme) have been discontinued and the application became infructuous. The management contends that in view of the strong case it has on the claim matter as aforesaid there will be no impairment necessary towards the financial asset or towards the investment of the Company. The exposure of the Group towards the SPV is Rs. 1,24,971.20 lacs including non-fund exposure. Pending conclusions no adjustments have been made in the financial statements.
- f. We invite attention to Note. 40(f) of the Consolidated Ind AS Financial Statements relating to the Hydropower project in Sikkim. As detailed in the note there are various factors affecting the progress of the project. The management, as detailed in the note, is confident that it will be able to pursue the project viably and does not foresee any need for impairment. Considering the assertion of the management no adjustments have been made towards any possible impairment. The exposure of the Group in the project is Rs. 10,936.37 lacs
- g. We invite attention to Note. 41 of the Consolidated Ind AS Financial Statements, wherein during the year, Western Coalfields Limited (WCF) had encashed Bank Guarantee amounting Rs 1,514.01 lacs given in favour of Aparna Infraenergy India Private Limited (one of the SPV's sold to BIF India Holding Pte Ltd on February 29, 2016). Subsequent to encashment Company has filed an application for converting earlier injunction application to suit for recovery of damages. The management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown guarantee encashment amount as receivable from Western Coal Fields and not debited the same to the statement of profit and loss for the year ended March 31, 2018.



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## Other Matters

We did not audit the financial statements and other financial information, in respect of 31 subsidiaries, whose Ind AS financial statements reflect total assets of Rs. 5,88,368.42 lacs as at March 31, 2018, total revenues of Rs. 64,936.45 lacs and net cash flow amounting to Rs. 1,289.17 lacs for the year ended on that date, before giving effect to elimination of intra-group transactions as considered in the preparation of the consolidated financial statements. The consolidated financial statements also includes the Group's share of net profit after tax of Rs.0.09 lacs for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of 1 Jointly controlled entity, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates in India, is based solely on the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of Section 143 of the Act, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports have relied upon 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 of the aforesaid consolidated Ind AS financial statements.
- (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 relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and working / records maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereon.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in



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India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act except Mr. Abhijit Rajan.

- (f) The matters described in paragraphs under the Basis for Qualified Opinion and Emphasis of Matter paragraph, in our opinion, may have an adverse effect on the functioning of the Group;
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 34 to the Consolidated Ind AS financial statements.
  - ii. The Group has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts. The Company has not entered into any derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For Nayan Parikh & Co  
Chartered Accountants  
Firm Registration No. 107023W

*K N Padmanabhan*

K N Padmanabhan  
Partner  
M. No. 36410  
Mumbai, Dated: - June 13, 2018



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## Annexure - A to the Auditors' 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 with reference to consolidated Ind AS financial statements of Gammon Infrastructure Projects Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India as of March 31, 2018 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control 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





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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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below 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 with reference to financial statements 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.



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## Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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.

## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 31 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors' of such company.

For Nayan Parikh & Co  
Chartered Accountants  
Firm Registration No. 107023W



K N Padmanabhan  
Partner  
M. No. 36410  
Mumbai, Dated: - June 13, 2018



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
CIN : L45203MH2001PLC131728  
**CONSOLIDATED BALANCE SHEET AS AT 31 March 2018**

Particulars	Note Ref	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	23,800.18	24,605.50
(b) Capital Work in progress	4	8,957.91	8,540.77
(c) Goodwill on consolidation	5	4,533.79	3,274.42
(d) Other Intangible Assets	6	2,58,602.43	1,91,809.17
(e) Intangible Assets under development	7	91,974.52	72,341.79
(f) Financial Assets	8		
(i) Investments in Joint Venture/Associate	8.1	0.50	3,677.09
(ii) Trade Receivables	8.2	1,06,047.70	1,00,396.79
(iii) Loans and Advances	8.4	417.56	294.43
(iv) Other Financial Assets	8.5	9,554.85	9,473.59
(g) Deferred Tax assets (net)	9	3,819.74	2,797.61
(h) Other Non Current Assets	10	7,683.48	6,439.87
<b>Total Non - Current Assets</b>		<b>5,15,392.66</b>	<b>4,23,651.03</b>
<b>(2) Current Assets</b>			
(a) Inventories	11	658.01	1,280.66
(b) Financial Assets			
(i) Investments	8.1	4,515.86	14,738.80
(ii) Trade Receivables	8.2	27,981.41	35,831.09
(iii) Cash and cash equivalents	8.3	5,008.87	3,018.87
(iv) Bank balance	8.3	39.74	12.37
(v) Loans and Advances	8.4	372.66	5,150.01
(vi) Other Financial Assets	8.5	2,841.23	2,153.00
(c) Other Current Assets	10	8,863.39	5,223.69
<b>Total Current Assets</b>		<b>50,281.17</b>	<b>67,408.49</b>
<b>Total Assets</b>		<b>5,65,673.83</b>	<b>4,91,059.52</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	12	18,917.64	18,917.64
(b) Other Equity	13	31,925.45	46,374.68
<b>Equity attributable to equity holders of the parent</b>		<b>50,843.09</b>	<b>65,292.32</b>
(c) Non-Controlling interests	14	1,428.85	4,943.04
<b>Total Equity</b>		<b>52,271.94</b>	<b>70,235.36</b>
<b>(2) Non-Current Liabilities</b>			
(a) Financial Liabilities	15		
(i) Borrowings	15.1	2,41,960.30	2,54,988.60
(ii) Other Financial Liabilities	15.2	74,375.76	74,475.76
(b) Provisions	16	3,467.71	2,110.27
(c) Deferred Tax Liabilities (Net)	17	6,366.32	5,709.43
(d) Other Non-Current Liabilities	18	46,075.93	39,762.30
<b>Total Non-Current Liabilities</b>		<b>3,72,246.02</b>	<b>3,77,046.36</b>



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
CIN : L45203MH2001PLC131728  
**CONSOLIDATED BALANCE SHEET AS AT 31 March 2018**

Particulars	Note Ref	As at March 31, 2018	As at March 31, 2017
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities	15		
(i) Borrowings	19	7,653.16	7,121.40
(ii) Trade Payables	20	20,422.72	11,181.69
(iii) Other Financial Liabilities	15.2	1,08,858.35	21,447.88
(b) Provisions	16	382.65	236.00
(c) Liabilities for Current Tax (net)	21	1,743.90	1,847.57
(d) Other Current Liabilities	18	2,095.13	1,943.26
<b>Total Current Liabilities</b>		<b>1,41,155.91</b>	<b>43,777.80</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,65,673.83</b>	<b>4,91,059.52</b>

As per our report of even date  
For Nayan Parikh & Co.  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

K N Padmanabhan  
Partner  
M.No. 36410



For and on behalf of the Board of Directors of  
**Gammon Infrastructure Projects Limited**

Kishor Kumar Mohanty  
Managing Director  
DIN: 00080498

Naresh Sasanwar  
Chief Financial Officer

Homai Daruwala  
Director  
DIN: 00365880

Kaushal Shah  
Company Secretary  
M. No. ACS 18501

Mumbai: Dated June 13, 2018



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
CIN : L45203MH2001PLC131728  
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018**

		(Rs in lacs)	
Particulars	Note Ref	For year ended 2017-18	For year ended 2016-17
<b>I Revenue from Operations</b>	22	62,474.27	66,300.11
<b>II Other Income:</b>	23	1,827.61	2,239.38
<b>III Total Income (I + II)</b>		<b>64,301.88</b>	<b>68,539.49</b>
<b>IV Expenses:</b>			
Project expenses	24	27,971.19	31,438.27
Purchase of traded goods	24A	144.20	-
Changes in inventory	25	2,289.55	2,600.98
Employee benefit expenses	26	2,206.53	1,932.18
Depreciation & amortization	27	8,724.22	4,951.03
Finance Costs	28	33,992.90	30,917.64
Other expenses	29	5,419.71	3,828.42
<b>Total Expenditure</b>		<b>80,748.30</b>	<b>75,668.53</b>
<b>V Profit / (Loss) before share of profit / (loss) of an associate / a joint venture and exceptional Items (III-IV)</b>		(16,446.42)	(7,129.04)
Share of profit / (loss) of an associate and joint venture		-	(2,561.43)
<b>VI Profit / (Loss) before exceptional item and tax (V+VI)</b>		<b>(16,446.42)</b>	<b>(9,690.47)</b>
<b>VIII Exceptional items Income / (Expense)</b>	30	(520.00)	241.00
<b>IX Profit / (loss) before tax (VII+VIII)</b>		(16,966.42)	(9,449.47)
<b>X Tax expenses</b>	31		
Current Tax		1,315.64	582.45
Short Provision for Tax		633.84	-
Deferred Tax Liability / (asset)		(362.09)	2,122.13
<b>Total tax expenses</b>		<b>1,587.39</b>	<b>2,704.58</b>
<b>XI Profit/(Loss) for the period</b>		<b>(18,553.81)</b>	<b>(12,154.05)</b>
<b>XII Other Comprehensive Income</b>			
Remeasurement of defined benefit plans		(14.51)	6.34
Tax impact thereon		2.87	(2.81)
<b>Other comprehensive income / (loss) for the period</b>		<b>(11.64)</b>	<b>3.53</b>
<b>XIII Total Comprehensive income/(loss) for the period (XI+XII)</b>		<b>(18,565.45)</b>	<b>(12,150.52)</b>
<b>Profit/(Loss) attributable to:</b>			
Owners of the Company		(14,567.53)	(10,405.95)
Non-Controlling Interest		(3,986.28)	(1,748.10)
<b>Other Comprehensive Income attributable to:</b>			
Owners of the Company		(11.98)	3.53
Non-Controlling Interest		0.34	-
<b>Earnings per equity share [nominal value of share Rs. 2/-]</b>	32		
Basic		(1.55)	(1.10)
Diluted		(1.55)	(1.10)

As per our report of even date

For Nayan Parikh & Co.

ICAI Firm Registration No. : 107023W

Chartered Accountants

K N Padmanabhan  
Partner  
M.No. 36410



For and on behalf of the Board of Directors of  
Gammon Infrastructure Projects Limited

Kishor Kumar Mohanty  
Managing Director  
DIN: 00080498

Narsh Sasanwar  
Chief Financial Officer

Homai Daruwalla  
Director  
DIN: 00365880

Kaushal Shah  
Company Secretary  
M. No. ACS 18501

Mumbai: Dated June 13, 2018

**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**CIN : L45203MH2001PLC131728**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 2017-18**

	(Rs. in lacs)	
Particulars	2017-18	2016-17
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit / (Loss) before tax as per statement of profit and loss	(16,966.42)	(9,449.47)
Adjusted for:		
Share of (Profit) / Loss of Associates and Joint Ventures	-	2,561.43
Provision for loans and advances	1,000.00	-
Employee Stock Option Outstanding	0.72	-
Remeasurement gain/(loss) on defined benefit plans	(11.98)	-
Depreciation	8,724.22	4,951.03
Finance Income	(11,924.09)	(12,546.37)
Interest Income	(683.33)	(898.79)
Fair value/profit on investment	(239.64)	(175.25)
Provision for periodic/operation and maintenance exp	890.21	418.82
Profit on Sale of Assets	(1.18)	(0.45)
Gain on Mutual Fund investment	(139.81)	(361.39)
Write back of provision for advances	(43.20)	-
Finance Cost	33,992.91	26,748.62
Interest on deferred liability payment	-	3,601.76
Loss on sale of investments	19.35	-
<b>Operating Profit before Working Capital Changes</b>	<b>14,617.76</b>	<b>14,849.93</b>
Adjusted for:		
Trade and Other Receivables	13,989.14	30,293.83
Inventories	622.65	-951.54
Trade and Other Payables	9,855.21	-2,388.99
<b>Cash Generated from operations</b>	<b>39,084.75</b>	<b>41,803.23</b>
Tax Paid (Net)	(1,681.32)	(182.77)
<b>Net Cash flow from Operating Activities</b>	<b>37,403.43</b>	<b>41,620.47</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Tangible and Intangible Assets	(16,271.90)	(28,361.69)
Proceeds from sale of property, plant and equipment	23.66	-
Purchase of Current Investment	(6,389.46)	(44,109.10)
Payment for further Investment in subsidiary	(15.52)	-
Proceeds from sale of Current Investments	15,389.70	32,238.73
Sales proceeds from divestment of subsidiary	0.40	-
Advance for purchase of shares	-	(3,750.00)
Movement in Other Bank Balances	(79.43)	(2,009.39)
Refund of Intercompany deposit	-	1,000.00
Interest Received	905.09	917.13
<b>Net Cash Flow (Used in) Investing Activities</b>	<b>(6,437.46)</b>	<b>(44,074.32)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity share capital	-	1.20
Share Application Money	(1,500.00)	(100.00)
Proceeds from Long Term Borrowings	4,605.67	24,364.55
Repayment of Long Term Borrowings	(6,322.12)	(4,503.96)
Short Term Borrowings net	531.76	(3,681.63)
Repayment of deferred payment liabilities	0.00	(2,619.44)
Interest Paid	(27,909.56)	(15,561.03)
<b>Net Cash Flow from/(Used in) financing activities</b>	<b>(30,594.26)</b>	<b>(2,100.30)</b>



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**CIN : L45203MH2001PLC131728**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 2017-18**

Particulars	(Rs. in lacs)	
	2017-18	2016-17
<b>Net Increase / (decrease) in Cash and Cash equivalents</b>	<b>371.71</b>	<b>(4,554.16)</b>
Opening balance of Cash and Cash equivalents	3,018.87	7,573.03
Cash balance acquisition during the year (on account of increase in stake in Subsidiary)	1,618.29	-
Closing balance of Cash and Cash equivalents	<b>5,008.87</b>	<b>3,018.87</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on hand	29.06	19.27
Cash with bank	4,979.81	2,999.60
	<b>5,008.87</b>	<b>3,018.87</b>

As per our report of even date  
For Nayan Parikh & Co.  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

*K N Padmanabhan*  
K N Padmanabhan  
Partner  
M.No. 36410



For and on behalf of the Board of Directors of  
Gammon Infrastructure Projects Limited

<i>Kishor Kumar Mohanty</i> Kishor Kumar Mohanty Managing Director DIN: 00080498	<i>Homai Daruwala</i> Homai Daruwala Director DIN: 00365880
<i>Naresh Sasanwar</i> Naresh Sasanwar Chief Financial Officer	<i>Kaushal Shah</i> Kaushal Shah Company Secretary M. No. ACS 18501

Mumbai: Dated June 13, 2018

**GAMMON INFRASTRUCTURE PROJECTS LIMITED**

**CIN : L45203MH2001PLC131728**

**Notes to consolidated financial statements for the year ended March 31, 2018**

**(All amounts are Rs in lacs unless otherwise stated)**

**A Equity**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Rs. in lacs	Number of Shares	Rs. in lacs
Equity shares of INR 2 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	94,18,30,724	18,836.61	94,17,70,724	18,835.41
Changes in equity share capital during the year	-	-	-	-
- issued during the reporting period	-	-	60,000	1.20
	<b>94,18,30,724</b>	<b>18,836.61</b>	<b>94,18,30,724</b>	<b>18,836.61</b>
<b>Add:</b>				
Shares forfeited	1,62,050	81.03	1,62,050	81.03
<b>Balance at the end of Reporting period</b>	<b>94,19,92,774</b>	<b>18,917.64</b>	<b>94,19,92,774</b>	<b>18,917.64</b>

**B Other Equity**

Particulars	Retained Earnings	General Reserve	Security Premium Reserve	Employee Stock Option Outstanding	Total
<b>Balance as at 31 March 2016</b>	413.62	23.95	56,369.47	8.42	56,815.45
Profit for the year	(10,405.95)				(10,405.95)
Adjustment:					-
Opening reserves effects	(40.74)				(40.74)
Remeasurement gain/(loss) on defined benefit plans	3.53				3.53
Charge for the period				2.39	2.39
<b>Balance as at 31 March 2017</b>	<b>(10,029.54)</b>	<b>23.95</b>	<b>56,369.47</b>	<b>10.80</b>	<b>46,374.68</b>
Profit for the year	(14,567.53)				(14,567.53)
<b>Adjustment:</b>					
Preacquisition reserve	0.00				0.00
Remeasurement gain/(loss) on defined benefit plans net of tax	(11.98)				(11.98)
Charge for the period				0.72	0.72
On acquisition of subsidiary	129.56				129.56
<b>Balance as at 31 March 2018</b>	<b>(24,479.49)</b>	<b>23.95</b>	<b>56,369.47</b>	<b>11.52</b>	<b>31,925.45</b>





**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

**A Corporate Information**

Gammon Infrastructure Projects Limited ("the Company" or "Parent" or "GIPL") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai Mh 400025. The financial statements comprises the financial statements of the Company and its subsidiaries (the Company and its subsidiaries referred to as the "Group") and its associates and joint arrangements. The Group is engaged in infrastructure transactions and advance consideration primarily to develop, invest in and manage various initiatives in the infrastructure sector. It is presently engaged in the development of various infrastructure projects in sectors like transportation, energy and urban infrastructure. These consolidated financial statements ("the financial statements") of the Group for the year ended 31 March 2018 were authorised for issue in accordance with resolution of the Board of Directors on June 13, 2018.

**B Recent accounting pronouncements**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and expects no impact on profit before tax.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. This will have no significant effect on the financial statements on adoption of Ind AS 115.

**C Significant Accounting Policies**

**I Basis of Preparation**

These financial statements are Consolidated Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Consolidated financial statements are presented in INR and all values are rounded to the nearest Rupees in lacs, except otherwise stated.

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

The 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 realisability 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.

**II Principles of Consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March 2018.

**(i) Consolidation procedure**

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full, except as stated below Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

The Build, Operate and Transfer (BOT) / Design, Build, Finance, Operate and Transfer (DBFOT) contracts are governed by Service Concession Agreements with government authorities (grantor). Under these agreements, the operator does not own the road, but gets "toll collection rights" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, revenue is recognised at fair value of construction services rendered and profit from such contracts is considered as realised. Accordingly, BOT / DBFOT contracts awarded to group companies (operator), where work is subcontracted to fellow subsidiaries, the intra group transactions on BOT / DBFOT contracts and the profits arising thereon are taken as realised and not eliminated.

**(ii) Non-controlling interests in the net assets of consolidated subsidiaries consists of :**

- a) The amount of equity attributed to noncontrolling interests at the date on which investment in a subsidiary relationship came into existence;
- b) The non-controlling interest share of movement in equity since the date parent subsidiary relationship came into existence;
- c) Non-controlling interest share of net profit/ (loss) of consolidated subsidiaries for the year is identified and adjusted against the profit after tax of the Group.

**(iii) The following entities are considered in the Consolidated Financial Statements listed below:**

Sr No	Name of the Entity	Relation ship	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2018	As on March 31, 2017
1	Gammon Infrastructure Projects Limited	Holding	100.00%	100.00%
2	Birmitrapur Barkote Highway Private Limited ('BBHPL')	Subsidiary	100.00%	100.00%
3	Cochin Bridge Infrastructure Company Limited ('CBICL')	Subsidiary	97.66%	97.66%
4	Gammon Logistics Limited ('GLL')	Subsidiary	100.00%	100.00%
5	Gammon Projects Developers Limited (GPDL)	Subsidiary	100.00%	100.00%
6	Gammon Renewable Energy Infrastructure Projects Limited ('GREIPL')	Subsidiary	100.00%	100.00%
7	Gammon Road Infrastructure Limited ('GRIL')	Subsidiary	100.00%	100.00%
8	Gammon Seaport Infrastructure Limited ('GSIL')	Subsidiary	100.00%	100.00%
9	Haryana Biomass Power Limited ('HBPL')	Subsidiary	100.00%	100.00%
10	Jaguar Projects Developers Limited ('JPDL')	Subsidiary	100.00%	100.00%
11	Lilac Infraprojects Developers Limited ('LIDL')	Subsidiary	100.00%	100.00%
12	Marine Project Services Limited ('MPSL')	Subsidiary	100.00%	100.00%
13	Patna Highway Projects Limited ('PHPL')	Subsidiary	100.00%	100.00%
14	Rajahmundry Godavari Bridge Limited ('RGBL')	Subsidiary	71.43%	71.43%
15	Sidhi Singrauli Road Project Limited ('SSRPL')	Subsidiary	100.00%	100.00%
16	Tada Infrastructure Development Company Limited ('TIDCL')	Subsidiary	100.00%	100.00%
17	Tidong Hydro Power Limited ('THPL')	Subsidiary	51.00%	51.00%
18	Vizag Seaport Private Limited ('VSPL')	Subsidiary	73.76%	73.76%
19	Yamunanagar Panchkula Highway Private Limited ('YPHPL')	Subsidiary	100.00%	100.00%
20	Youngthang Power Ventures Limited ('YPVL')	Subsidiary	100.00%	100.00%
21	Vijayawada Gundugolanu Road Project Private Limited ('VGRPPL')	Subsidiary	100.00%	100.00%
22	Pravara Renewable Energy Limited ('PREL')	Subsidiary	100.00%	100.00%
23	Sikkim Hydro Power Ventures Limited ('SHPVL')	Subsidiary	100.00%	100.00%
24	Indira Container Terminal Private Limited ('ICTPL')	Joint Venture	74.00%	50.00%
25	Ghaggar Renewable Energy Private Limited ('GREPL')	Step-down subsidiary	0.00%	100.00%
26	Satluj Renewable Energy Private Limited	Step-down subsidiary	0.00%	100.00%
27	Ras Cities and Townships Private Limited ('RCTPL')	Step-down subsidiary	100.00%	100.00%
28	Tangri Renewable Energy Private Limited ('TREPL')	Step-down subsidiary	100.00%	100.00%
29	Yamuna Minor Minerals Private Limited ('YMMPL')	Step-down subsidiary	0.00%	100.00%
30	Chittoor Infrastructure Company Private Limited ('CICPL')	Step-down subsidiary	100.00%	100.00%
31	Earthlink Infrastructure Projects Private Limited ('EIPPL')	Step-down subsidiary	100.00%	100.00%
32	Segue Infrastructure Projects Private Limited ('SIPPL')	Step-down subsidiary	100.00%	100.00%



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

33	ATSL Infrastructure Projects Limited ('ATSL')	Associate	49.00%	49.00%
34	Eversun Sparkle Maritimes Services Private Limited	Associate	30.90%	30.90%
35	Modern Tollroads Limited ('MTRL')	Associate	49.00%	49.00%
36	SEZ Adityapur Limited ('SEZAL')	Associate	38.00%	38.00%
37	Blue Water Iron Ore Terminal Private Limited ('BWOTPL')	Joint Venture	10.12%	10.12%
38	GIPL - GIL JV	Joint Venture	95.00%	95.00%

- (iv) In the absence of financial statements of BWOTPL and SEZAL no effects are taken in these financial statements for the current period. The profit / loss for the period ended September 30, 2014 are incorporated. However, these joint ventures are not carrying out any operations and therefore their impact is not expected to be significant.
- (v) As part of its overall business plans, the Group has been acquiring beneficial interest and voting rights. This beneficial interest along with the Group's legal shareholdings has resulted in the Group having control over 51% in various SPVs as listed above. The details of the amounts paid and resultant beneficial interest and voting rights acquired are as follows:

Sr. No.	Particulars	As at 31-03-2018			As at 31-03-2017		
		Equity shares Nos.	Amount paid	Beneficial interest %	Equity shares Nos.	Amount paid	Beneficial interest %
1	CICPL	10,000	1,00,000	100%	10,000	1,00,000	100%
2	EIPPL	10,000	1,00,000	100%	10,000	1,00,000	100%
3	SIPPL	10,000	1,00,000	100%	10,000	1,00,000	100%
4	THPL	25,500	2,55,000	51%	25,500	2,55,000	51%

**(vi) Business combinations and goodwill**

In accordance with Ind AS 101 provisions related to first time adoption, the Group has exercised exemption and elected not to apply Ind AS accounting for business combinations retrospectively. The excess of cost to the group of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements. This Goodwill is tested for impairment at the close of each financial year. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

**C Summary of other significant accounting policies**

**a) Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

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

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

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 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 or
- It is held primarily for the purpose of trading or
- 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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**c) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

- i) **Construction contract revenues :**  
Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.
- ii) **Operation and Maintenance Income:**  
Revenue on Operation and Maintenance contracts are recognized over the period of the contract as per the terms of the contract.
- iii) **Service Concession Arrangements**  
In accordance with the principal laid down in Appendix A to the Ind AS 11, revenue from Construction service are recognized in exchange for grant of tolling rights, accounted at the fair value of service rendered on Cost plus margin.
- iv) **Tolling Income**  
Tolling Income is recognised on usage of recovery of the usage charge thereon based on the notified toll rates by the Grantor.
- v) **Annuity Income**  
Revenue from Operations and Maintenance including major maintenance are accrued on the basis of estimated cost plus margin and the amount reconciled is added to the financial asset. Revenue from financial asset is accrued in accordance with Interest EIR of the annuity receipt.
- vi) **Developer fees & other advisory services:**  
Revenue on Developer Fees is recognized on an accrual basis.
- vii) **Revenue from power projects**  
Revenue from sale of electricity and steam are recognised when the generated units are wheeled to the user and the metered units are billed at the contracted rates.
- viii) **Revenue from Port Operations**  
Revenue from integrated terminal services, berth hire charges, dust suppression charges, cargo handling charges, plot rent, wharfage, barge freight and other miscellaneous charges is recognized on an accrual basis as per the terms of the contract with the customers as the related services are performed and is measured at fair value of the consideration received or receivable.  
Earnings in excess of billing are classified as unbilled revenue while billings in excess of cost and earnings are classified as deferred revenue.
- ix) **Government Grants**  
Grants from the Government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.  
**Capital Grant**  
As per IND AS 20 " Accounting for Government grants and disclosure of Government Assistance " and IND AS 109" Financial Instruments ", the Grant received from grantor satisfies the Income approach criteria and therefore the Group has amortised the Grant received based on traffic count to Profit and Loss account every year.
- x) **Interest income:**  
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.
- xi) **Dividend income:**  
Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.
- xii) **Finance and Other Income ( including remeasurement Income)**  
Under Ind AS, financial guarantees given by the Company for its subsidiaries are initially recognised as a liability at fair value which is subsequently amortised as an interest income to the Statement of Profit and Loss.
- xiii) **Financial guarantee income**  
Under Ind AS, financial guarantees given by the Company for its subsidiaries are initially recognised as a liability at fair value which is subsequently amortised as an interest income to the Statement of Profit and Loss.





**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

**d) Property, Plant and Equipment (PPE)**

- i) Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.
- ii) Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.
- iii) Borrowing costs on Property, Plant and Equipment's are capitalised when the relevant recognition criteria specified in Ind AS 23: Borrowing Costs is met.
- iv) Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.
- v) Depreciation on all assets of the Company is charged on straight line basis over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.
- vi) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.
- vii) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- viii) Leasehold improvements is amortized on a straight line basis over the period of lease.

**e) Intangible assets**

- i) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
- ii) The useful lives of intangible assets are assessed as either finite or indefinite.
- iii) Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
- iv) 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.
- v) 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 recognised in the statement of profit or loss when the asset is derecognised.

**f) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**g) Impairment**

Assets with an indefinite useful life and goodwill are not amortized/ depreciated and are tested annually for impairment. Assets subject to amortization/depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill for which impairment losses have been recognized are tested at each balance sheet date in the event that the loss has reversed.

**h) Equity investment**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries, joint venture and associates are carried at Cost in separate financial Statement less impairment if any.



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

**i) Investments**

Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments: are carried at fair value with the changes in fair value taken through the statement of Profit and Loss.

**j) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Stores and materials are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price less estimated cost necessary to make the sale. The weighted average method of inventory valuation is used to determine the cost.

**k) Taxes**

**Current Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**l) Deferred Tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

**m) MAT Credit:**

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the Statement of profit and loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

**n) Leases**

**Operating lease**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are recognised as an expense in the statement of profit and loss on a straight line basis in accordance with INDAS 17.

**o) Earnings per share**

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**p) 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.



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

**q) Employee Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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 recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

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

**Termination Benefits**

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

**r) Employee Share – based payment plans ('ESOP')**

The Company accounts for the benefits of Employee share based payment plan in accordance with IND AS 102 "Share Based Payments" except for the ESOP granted before the transition date which are accounted as per the previous GAAP as provided in IND AS 101 first time adoption

**s) Foreign Currencies  
Transactions and Balances**

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction. The Company's functional currency and reporting currency is same i.e. INR.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**t) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

**u) Measurement of Earnings before interest, tax, depreciation and amortisation (EBITDA)**

The Company has elected to present earnings before interest, tax expenses, depreciation and amortization expenses (EBITDA) as a separate line item on the face of the statement of profit and loss. In the measurement of EBITDA, the Company does not include depreciation and amortization expenses, interest and tax expense.

**v) Fair Value Measurement**

The Company measures financial instruments, such as, derivatives 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.

**w) Financial instruments**

**A Initial recognition**

**i) Financial Assets & Financial Liabilities**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.



**GAMMON INFRASTRUCTURE PROJECTS LIMITED**  
**Statement of Significant Accounting policies and Other Explanatory Notes**  
**(All amounts are Rs in lacs unless otherwise stated)**

**ii) Equity Instruments**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

**B) Subsequent measurement**

**i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and 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.

**ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**iv) Financial liabilities at amortized cost**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these liabilities.

**v) Financial liabilities at FVPL**

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

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 recognised 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 recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

**C De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**D 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**x) Dividend Distribution**

Dividend distribution to the Company's equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

**y) Exceptional Items**

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

**z) Trade Payables & Trade Receivables**

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

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



GAMMON INFRASTRUCTURE PROJECTS LIMITED

CIN : L45203MH2001PLC131728

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are Rs in lacs unless otherwise stated)

3 Property, plant & equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Motor Vehicles	Leasehold improvements	Container yard	Total
<b>Cost or valuation</b>											
As at March 31, 2016	491.24	1,891.78	4,215.00	19,349.45	69.02	132.55	233.68	142.53	86.83	-	26,612.08
Additions	-	-	-	296.97	3.79	11.17	7.70	11.90	-	-	331.53
Sales/Disposals/Adjustments	-	-	-	-	-	-	-	6.71	-	-	6.71
As at March 31, 2017	491.24	1,891.78	4,215.00	19,646.42	72.81	143.73	241.38	147.72	86.83	-	26,936.90
Additions	-	-	-	476.82	2.31	13.94	21.78	134.83	-	-	649.68
On account of increase in stake in subsidiary*	5.80	-	357.45	12.15	25.00	49.74	58.68	29.98	-	135.57	674.37
Sales/Disposals/Adjustments	-	-	-	-	1.98	3.71	-	41.65	-	-	47.34
As at March 31, 2018	497.04	1,891.78	4,572.45	20,135.39	98.14	203.70	321.84	270.88	86.83	135.57	28,213.61
<b>Depreciation</b>											
As at March 31, 2016	-	-	68.20	385.54	20.92	45.21	195.81	99.35	86.83	-	901.87
Charge for the period	-	-	193.70	1,130.48	14.32	22.78	39.61	34.96	-	-	1,435.85
Sales/Disposals/Adjustments	-	-	-	-	-	-	-	6.33	-	-	6.33
As at March 31, 2017	-	-	261.90	1,516.02	35.24	68.00	235.42	127.99	86.83	-	2,331.40
Depreciation on account of increase in stake in subsidiary*	-	-	307.70	0.75	20.36	43.01	58.68	23.53	-	135.57	589.60
Charge for the period	-	-	229.41	1,198.12	14.63	24.96	27.74	22.43	-	-	1,517.29
Sales/Disposals/Adjustments	-	-	-	-	1.96	3.71	-	19.19	-	-	24.86
As at March 31, 2018	-	-	799.01	2,714.89	68.27	132.26	321.84	154.76	86.83	135.57	4,413.43
<b>Net Block Value</b>											
At 31st March 2018	497.04	1,891.78	3,773.44	17,420.50	29.87	71.44	0.00	116.12	0.00	-	23,800.18
At 31st March 2017	491.24	1,891.78	3,953.10	18,130.40	37.56	75.73	5.96	19.73	0.00	-	24,605.50

Note: CTPL was a joint venture in the previous year and due to increase in stake and control over the company the same is considered as a subsidiary in the current year and assets on acquisition are shown as additions during the year.





4 Capital Work in progress

	As at	
	March 31, 2018	March 31, 2017
Engineering, Procurement and Construction costs	4,277.79	3,824.43
Project expenses	-	49.17
Developer fees	-	17.04
Financial Costs	1,766.78	1,841.28
Depreciation	28.46	25.53
Other Expenses	2,884.88	2,783.32
<b>Total capital work-in-progress</b>	<b>8,957.91</b>	<b>8,540.77</b>

5 Goodwill on consolidation

	As at	
	March 31, 2018	March 31, 2017
Goodwill on consolidation	3,274.42	3,274.42
Add: Goodwill on acquisition *	1,259.37	-
<b>Total</b>	<b>4,533.79</b>	<b>3,274.42</b>

Note: The write-off of goodwill done before March 31, 2007 has been netted-off in the opening carrying value of goodwill.

\* ICTPL was a joint venture in the previous year and is a subsidiary in the current year.

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**GAMMON INFRASTRUCTURE PROJECTS LIMITED**

CIN : L45203MH2001PLC131728

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED Mar 31, 2018

(All amounts are Rs in lacs unless otherwise stated)

**6 Intangible assets**

Particulars	Toll concession rights	Computer software	Port Rights	Total
<b>Cost or valuation</b>				
<b>As at 31 March 2016</b>	1,75,365.44	22.50	23,702.02	1,99,089.97
Additions	27.60	-	404.93	432.52
Sales/disposals/adjustments	-	-	309.77	309.77
<b>As at March 31, 2017</b>	1,75,393.04	22.50	23,797.18	1,99,212.72
On account of increase in stake in subsidiary*	-	48.65	76,229.37	76,278.02
Additions	-	-	496.69	496.69
Sales/disposals/adjustments	-	-	-	-
<b>As at March 31, 2018</b>	<b>1,75,393.04</b>	<b>71.15</b>	<b>1,00,523.24</b>	<b>2,75,987.43</b>
<b>Amortisation</b>				
<b>As at 31 March 2016</b>	1,997.16	12.04	1,868.40	3,877.60
Charge for the period	2,137.24	8.50	1,401.80	3,547.53
On sale/disposals/adjustments	-	-	21.58	21.58
<b>As at March 31, 2017</b>	4,134.40	20.54	3,248.62	7,403.55
Amortisation on account of increase in stake in subsidiary*	-	48.65	2,722.93	2,771.58
Charge for the period	2,018.70	1.96	5,189.21	7,209.86
On sale/disposals/adjustments	-	-	-	-
<b>As at March 31, 2018</b>	<b>6,153.10</b>	<b>71.15</b>	<b>11,160.76</b>	<b>17,385.00</b>
<b>Net Block</b>				
<b>At 31st March 2018</b>	<b>1,69,239.94</b>	<b>0.01</b>	<b>89,362.48</b>	<b>2,58,602.43</b>
<b>At 31st March 2017</b>	<b>1,71,258.64</b>	<b>1.97</b>	<b>20,548.57</b>	<b>1,91,809.17</b>

**b. Toll concession rights:**

- Toll concession rights pertains to the costs for construction of road / bridge projects by RGBL and VGRPPL on a Build, Operate Transfer (Toll) basis. RGBL and VGRPPL have an intangible right to collect user fees from the users of the road / bridge constructed.
- The Company had received a notice of termination from the National Highways Authority of India (NHAI) on 26th August 2016. Consequently, NHAI took possession of the toll plaza and tolling was suspended by the Company. Accordingly, the Company suspended amortization of the Intangible Asset from that date ( Refer Note 22(d)(iii))

**c. Port Rights**

Port Rights includes ,Right to Operate Port Operations by VSPL under a service concession arrangement between the SPV and Vishakhapatnam Port Trust.

7 Intangible Assets under development	As at March 31, 2018	As at March 31, 2017
	Non- Current	
Contract expenditure - Engineering, Procurement & Construction ('EPC')	71,575.10	57,278.15
Developer's fees	3,930.72	3,980.93
Borrowing Cost	14,506.02	9,361.22
Depreciation	13.43	12.95
Other Expenses	1,949.25	1,708.53
<b>Total</b>	<b>91,974.52</b>	<b>72,341.79</b>

The amount of borrowing costs capitalised during the period is Nil (2017: Nil).



GAMMON INFRASTRUCTURE PROJECTS LIMITED

CIN : L45203MH2001PLC131728

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED Mar 31, 2018

(All amounts are Rs in lacs unless otherwise stated)

8.1 Financial Assets - Investments

	As at	
	March 31, 2018	March 31, 2017
<b>A Non Current Investments</b>		
Equity instruments of Joint Venture Companies	307.08	117.58
Quasi Equity in Associates & Joint Ventures	-	3,753.88
Equity instruments of Associate Companies	167.73	167.73
Less: Provision for diminution in value of Investment	(474.82)	(362.60)
Other Investment	0.50	0.50
<b>Total</b>	<b>0.50</b>	<b>3,677.09</b>
<b>B Current Investments</b>		
Investment in Mutual fund	4,515.86	14,738.80
	<b>4,515.86</b>	<b>14,738.80</b>
<b>Aggregate value of investments</b>		
Aggregate book value of unquoted investments	0.50	3,677.09
Aggregate amount of quoted investments	4,515.86	14,738.80
Market Value of Quoted Investment	4,515.86	14,738.80

A Details of Non-current Investments

Name of body corporate	Extent of Holding (%)	March 31, 2018		March 31, 2017	
		Nos	Amount	Nos	Amount
Unquoted equity shares (Fully paid-up unless otherwise stated)					
Investment in Equity Instruments (Joint venture accounted under equity method)					
Blue Water Iron Ore Terminal Private Limited	10.12%	30,51,808	305.18	30,51,808	305.18
Indira Container Terminal Private Limited*	50.00%	-	-	2,43,75,840	(189.50)
SEZ Adityapur Limited	38.00%	19,000.00	1.90	19,000	1.90
			<b>307.08</b>		<b>117.58</b>

\* ICTPL was a joint venture in the previous year and is a subsidiary in the current year.

Quasi Equity at Cost

Unquoted

(Fully paid-up unless otherwise stated)

Indira Container Terminal Private Limited	-	3,753.88
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Unquoted equity shares (Fully paid-up unless otherwise stated)

Investment in Equity Instruments (Associate accounted under equity method)

ATSL Infrastructure Projects Limited	49%	24,450	1.60	24,450	1.60
Eversun Sparkle Maritimes Services Private Limited	30.90%	21,43,950	164.47	21,43,950	164.47
Modern Tollroads Limited	49%	24,470	1.66	24,470	1.66
			<b>167.73</b>		<b>167.73</b>

Less: Provision for Impairment of Investment

Joint Venture Companies

Blue Water Iron Ore Terminal Private Limited	305.18	305.18
SEZ Adityapur Limited	1.90	1.90
	<b>307.08</b>	<b>307.08</b>

Associates Companies

ATSL Infrastructure Projects Limited	1.60	-
Eversun Sparkle Maritimes Services Private Limited	164.47	55.52
Modern Tollroads Limited	1.66	-
	<b>167.73</b>	<b>55.52</b>



GAMMON INFRASTRUCTURE PROJECTS LIMITED

CIN : L45203MH2001PLC131728

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED Mar 31, 2018

(All amounts are Rs in lacs unless otherwise stated)

	ATSL Infra		ESMSPL		Modern Tollroads Limited	
Particulars	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Original cost of investment	2.45	2.45	214.40	214.40	2.45	2.45
Goodwill included in original cost	-	-	55.52	55.52	-	-
Add :						
Opening balance of accumulated losses	(0.85)	(0.85)	(49.92)	(49.92)	(0.79)	(0.79)
Add : Profit/(Losses) during the period	-	-	-	-	-	-
Add : Adjustments during the period	-	-	-	-	-	-
Closing balance of accumulated losses	(0.85)	(0.85)	(49.92)	(49.92)	(0.79)	(0.79)
Carrying amount of investment	1.60	1.60	164.47	164.47	1.66	1.66

**B Details of Current Investments**

Name of the Mutual Fund Scheme	March 31, 2018		March 31, 2017	
	Units	Amount	Units	Amount
<b>Quoted</b>				
<b>Investments carried at fair value through Profit and Loss</b>				
Reliance Liquid Fund - Treasury Plan - Growth	-	-	64,932	2,576.08
Canara Robeco savings plus fund - regular Growth	1,66,10,968	4,515.86	1,76,75,762	4,506.10
Principal Low Duration Fund - Regular Plan Growth	-	-	2,96,589	7,656.62
<b>Total</b>		<b>4,515.86</b>		<b>14,738.80</b>



## 8.2 Trade Receivables

(Unsecured, at amortised cost)	
i)	Financial Asset as per Service Concession Agreement (refer note b below)
ii)	Considered good
iii)	Considered doubtful
	Less:- Allowance for credit loss
	<b>Total</b>

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
1,06,047.70	1,00,396.79	18,920.00	28,380.00
-	-	9,061.41	7,451.09
-	215.72	9.23	-
-	(215.72)	(9.23)	-
<b>1,06,047.70</b>	<b>1,00,396.79</b>	<b>27,981.41</b>	<b>35,831.09</b>

### a) 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. Based on the past experience of receivables the Company has not provided for expected credit loss since the amounts are receivable from its SPV and there are no experience of losses on receivable in the past.

### b) Financial Asset as per Service Concession Agreement

One of the subsidiaries of the Group entered into a Concession Agreement ('the Contract') with the National Highways Authority of India ('NHAI') for the development, maintenance and operation of road from Patna (Hajipur) to Muzaffarpur in the state of Bihar on Build Operate and Transfer ('BOT') Annuity basis. In respect of the project on annuity basis of the Company, the Company has recorded the project in accordance with the requirement of Appendix A to Ind AS 11, titled "Service Concession Arrangement" with retrospective period in accordance with the requirements of Ind AS 101- First Time Adoption. Accordingly, the Company has recognized "Trade Receivables" being financial asset as against the earlier accounting as per previous GAAP of Intangible Asset under Development. The Company will have cost overrun on account of issue beyond the scope of the SPV and attributable to the Grantor. This will not result in any changes in the Annuity from the grantor. However this amount will be treated separately as receivable from the Grantor based on certification of delay period attributable to the Grantor certified by the Independent Engineer. The Company expects a sizeable claim on this amount and has obtained legal support for the validity of its claim from an Independent Expert on claim and litigation. The Company had also applied to the lenders for 5/25 flexible structuring scheme. However, in view of the RBI circular dated February 12, 2018, the application became infructuous. During the year, the management, although having a valid claim for compensation, supported by Independent Engineer's assessment, has decided to account the finance income under the annuity model on the basis of the original plan. The cost overrun attributable to reasons beyond the control of the management and attributable to the grantor is accounted as a separate receivable against the claim. No finance income is accounted on such cost overrun in the annuity model on a conservative basis till the final decision of the realisability is settled pursuant to arbitration and other legal proceedings. The exposure of the Group in the SPV is Rs 1,24,971.20 lacs.

## 8.3 Cash and Bank Balances

### A Cash and cash equivalents

i)	Balances with banks
ii)	Cash on hand
	<b>Total</b>

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
-	-	4,979.81	2,999.60
-	-	29.06	19.27
-	-	<b>5,008.87</b>	<b>3,018.87</b>

### B Other bank balances

i)	Balances in escrow account
ii)	Debt service reserve account
iii)	Fixed Deposit with Banks
iv)	Fixed Deposit as margin for BG issued
v)	Fixed Deposit under lien
vi)	Less : Transferred to Other Financial Assets (Refer note 8.5 (vii))
	<b>Total</b>

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
-	-	29.75	0.20
-	-	9.99	12.17
29.10	-	-	-
1,978.23	1,896.45	-	-
2,509.22	2,540.68	-	-
(4,516.56)	(4,437.13)	-	-
-	-	<b>39.74</b>	<b>12.37</b>
-	-	<b>5,048.61</b>	<b>3,031.24</b>

**Grand Total**

## 8.4 Loans and advances (at amortised cost)

<b>Security Deposit</b>	
<b>(Unsecured, Considered good )</b>	
	Leave and license
	Others
	<b>Total (A)</b>

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
59.70	53.34	-	-
246.04	204.27	114.52	114.26
<b>305.74</b>	<b>257.61</b>	<b>114.52</b>	<b>114.26</b>

### Other loans and advances

	Related Parties - GIL
	Others
	<b>Total (B)</b>

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
-	-	258.14	191.13
95.46	20.46	-	3,844.62
<b>95.46</b>	<b>20.46</b>	<b>258.14</b>	<b>4,035.75</b>

### Intercompany Deposits

	Related Parties - GIL
	Others
	Unsecured, Considered good
	Unsecured, Considered doubtful
	Less: Impairment of ICDs
	<b>Total (C)</b>

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
16.36	16.36	-	-
-	-	-	1,000.00
38.92	38.92	1,000.00	-
(38.92)	(38.92)	(1,000.00)	-
<b>16.36</b>	<b>16.36</b>	<b>-</b>	<b>1,000.00</b>
<b>417.56</b>	<b>294.43</b>	<b>372.66</b>	<b>5,150.01</b>

**Total (A+B+C)**

a) An amount of Nil (As at March 31, 2017 Rs. 3833.60 lacs) is receivable by some subsidiaries of the Company for cancellation of purchase of land agreements.





8.5 Other Financial Assets

		As at		As at	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		Non- Current		Current	
i) Advance recoverable in cash or in kind					
Unsecured, Considered Good					
Dues from entities having significant influence		-	-	49.28	49.28
Unsecured, Considered doubtful					
Dues from Associates		-	-	0.48	0.48
Dues from Joint Ventures		-	-	24.58	133.92
		-	-	74.34	183.69
ii) Others:					
Considered good (*)		-	-	2,644.43	1,562.24
Considered doubtful		14.81	-	545.19	83.16
		14.81	-	3,189.62	1,645.40
iii) Less: Impairment of doubtful assets ***		(14.81)	-	(570.25)	(99.47)
	(A)	-	-	2,693.71	1,729.61
iv) Interest accrued receivable					
From related parties, considered good		-	-	4.05	252.36
		-	-	-	-
From Banks, considered good		-	-	59.17	162.19
From others, considered Good		1.83	-	84.30	8.84
From others, considered doubtful		-	-	6.92	6.92
Less: Impairment of doubtful interest		-	-	(6.92)	(6.92)
	(B)	1.83	-	147.52	423.39
v) Advance for purchase of shares(**)	(C)	4,906.51	4,906.51	-	-
		4,906.51	4,906.51	-	-
vi) Share application money paid					
Related parties	(D)	129.95	129.95	-	-
		129.95	129.95	-	-
vii) Other bank balances					
Transferred from Cash and Bank Balance	(E)	4,516.56	4,437.13	-	-
		4,516.56	4,437.13	-	-
<b>Total (A+B+C+D+E)</b>		<b>9,554.85</b>	<b>9,473.59</b>	<b>2,841.23</b>	<b>2,153.00</b>

(\*) Others considered good includes Rs. 1,514.01 lacs Due from Western Coalfields on account of wrongful encashment of bank guarantee against which the company has filed a suit and is legally advised that it has a good case of recovery. Refer detailed note no 41

(\*) During April 2014, the Greater Cochin Development Authority has sought to end/obstruct the toll collection by unilaterally sealing the toll booth of CBICL. CBICL believes it has the right to collect toll at the bridge upto April 27, 2020. Necessary legal recourse has been initiated. The unamortised project costs of Rs. 842.61 lacs along with the unrealised profit of the Group amounting to Rs 46 lacs is transferred to other current assets under Project expenses pending settlement. Pending the outcome of the legal proceeding, no adjustments have been made in the financial statements.

(\*\*) Advance for Purchase of Shares:- The Company had entered into an Agreement for Sale and Subscription of Shares (SSA) with IFCI Limited for 8,64,80,000 equity shares of Rajahmundry Godavari Bridge Limited (RGBL). However the company could not adhere to the terms of the aforesaid arrangement. The advance for purchase of shares represents advance paid to IFCI for purchase of equity shares of RGBL held by IFCI. The company has an obligation to pay an additional amount of Rs 3,500 Lacs representing the balance consideration as per terms of one time settlement, after discharge of which, RGBL shares held by IFCI would be transferred to the company.

The Company has defaulted in fulfilling its obligation under the one time settlement with Industrial Financial Corporation of India (IFCI). The Company was required to pay the entire outstanding by September 30, 2017. The Company has been unable to discharge the liability and has not been able to get further extension for the payment of the outstanding although it is actively engaged with IFCI for the extension of the time period for the payment of the outstanding. In terms of the original arrangement, the benefits received under the one time settlement of Rs. 3,776.69 lacs is to be reversed. The management is hopeful of receiving the extension with non-reversal of the benefits of OTS. Pending that no adjustments have been made in these financial results. The company has however provided interest at the rate of 11.50% p.a. as per the agreement. The interest payable on the outstanding amount before reversal of the aforesaid benefit as on balance sheet date is Rs 158.13 lacs

(\*\*\*) During the previous year the company has accounted for insurance claim of Rs.520 lacs, based on the current developments on the matter the company has on prudence provided the entire amount on account of no confirmation of receipt of aforesaid receipt from the insurance company.



a) The break-up of advance recoverable in cash or in kind from related parties is as under :

		As at	
		March 31, 2018	March 31, 2017
<b>Unsecured, Considered good (*)</b>			
<b>Dues from entities having significant influence</b>			
Gammon India Ltd		49.28	49.28
		<b>49.28</b>	<b>49.28</b>
<b>Unsecured, Considered doubtful</b>			
<b>Dues from Joint Venture entities</b>			
GIPL-GIL JV		24.58	15.83
Indira Container Terminal Pvt Ltd		-	118.09
		<b>24.58</b>	<b>133.92</b>
<b>Unsecured, Considered Doubtful</b>			
<b>Dues from Associates</b>			
Modern TollRoads Ltd		0.48	0.48
		<b>0.48</b>	<b>0.48</b>
<b>Total</b>		<b>74.35</b>	<b>183.69</b>

(\*) In the previous year Gammon India Limited was an ultimate holding company which is now an entity having significant influence in the current year.

b) The break-up of share application money paid by the Company to related parties is as under :

		As at	
Company Name		March 31, 2018	March 31, 2017
i) Modern Toll Roads Limited		129.95	129.95
<b>Total</b>		<b>129.95</b>	<b>129.95</b>

c) Break-up of interest accrued receivable from related parties is as follows:

		As at	
		March 31, 2018	March 31, 2017
i) Gammon India Ltd		4.05	252.36
		<b>4.05</b>	<b>252.36</b>

d) ICTPL in previous year was a joint venture and current year is a subsidiary hence the previous years figures have been reclassified from joint venture to subsidiary for comparative purposes.

#### 9 Deferred Tax Assets

##### a) Deferred Tax Liability on account of :

- i) Depreciation due to timing difference
- ii) Remeasurement gain/(loss) on defined benefit plans
- iii) Unrealised Gain on Mutual Fund

##### b) Deferred Tax Asset on account of :

- iv) Depreciation due to timing difference
- v) Employee benefits
- vi) Unabsorbed depreciation
- vii) Provision for replacement cost
- viii) Mat Credit Entitlement

**Deferred Tax Asset, net**

		As at	
		March 31, 2018	March 31, 2017
		(3,427.67)	(5,751.57)
		(0.48)	(15.57)
		(83.74)	-
		27.47	2,388.65
		107.04	106.93
		1,631.66	2,352.20
		629.82	510.93
		4,935.64	3,206.04
		<b>3,819.74</b>	<b>2,797.61</b>

#### 10 Other Assets

- i) Advance to contractor
  - Related Party - GIL
  - Others
- ii) Prepaid expenses
- iii) Statutory and other receivables
- iv) Advance Income Tax (Net of Provision for Taxation)
- v) Capital advances
- vi) Prepaid Upfront Fees
- vii) Other advances

**Total**

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
98.54	73.94	-	1,145.89
596.63	86.29	7,585.68	2,815.12
49.01	51.09	292.70	300.54
266.93	234.01	717.62	421.29
3,176.96	3,749.83	-	-
1,358.67	25.46	-	-
1,152.13	1,219.22	159.18	127.85
984.61	1,000.03	108.21	413.00
<b>7,683.48</b>	<b>6,439.87</b>	<b>8,863.39</b>	<b>5,223.69</b>

#### 11 Inventories

- Stores and Consumables
- Stock-in-trade
- Raw materials

		As at	
		March 31, 2018	March 31, 2017
		459.81	412.63
		144.20	-
		54.00	868.03
		<b>658.01</b>	<b>1,280.66</b>



		As at	
		March 31, 2018	March 31, 2017
<b>12 Equity Share capital</b>			
i)	<b>Authorised shares :</b>		
	March 31, 2018: 1,25,00,00,000 Equity shares of Rs 2/- each	25,000.00	25,000.00
	March 31, 2017 : 1,25,00,00,000 Equity Shares of Rs 2/- each		
	<b>Total</b>	<b>25,000.00</b>	<b>25,000.00</b>
ii)	<b>Issued and subscribed shares :</b>		
	March 31, 2018: 94,26,40,974 Equity shares of Rs 2/- each	18,852.82	18,852.82
	March 31, 2017: 94,26,40,974 Equity shares of Rs 2/- each		
	<b>Total</b>	<b>18,852.82</b>	<b>18,852.82</b>
iii)	<b>Paid-up shares :</b>		
	March 31, 2018: 94,18,30,724 Equity shares of Rs 2/- each	18,836.61	18,836.61
	March 31, 2017: 94,18,30,724 Equity shares of Rs 2/- each		
	<b>Total</b>	<b>18,836.61</b>	<b>18,836.61</b>
iv)	<b>Shares forfeited :</b>		
	Amount received (including securities premium) in respect of 162,050 equity shares of Rs. 10/-	81.03	81.03
	<b>Total</b>	<b>81.03</b>	<b>81.03</b>
	<b>Total paid-up share capital (iii + iv)</b>	<b>18,917.64</b>	<b>18,917.64</b>

		As at		As at	
		March 31, 2018	March 31, 2018	March 31, 2017	March 31, 2017
		Number	Amount	Number	Amount
a)	<b>Reconciliation of the equity shares outstanding at the beginning and at the end of the period</b>				
	Balance, beginning of the period	94,18,30,724	18,836.61	94,17,70,724	18,835.41
	Issued during the period	-	-	60,000	1.20
	<b>Balance, end of the period</b>	<b>94,18,30,724</b>	<b>18,836.61</b>	<b>94,18,30,724</b>	<b>18,836.61</b>

- b) **Terms / rights attached to equity shares**  
The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend in the proportion of their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c) **Shares held by holding / ultimate holding company and /or their subsidiaries / associates**  
Out of equity shares issued by the Company, shares held by its holding / ultimate holding Company and /or their subsidiaries / associates are as follows:

		As at		As at	
		March 31, 2018	March 31, 2018	March 31, 2017	March 31, 2017
		Number	Amount	Number	Amount
	<b>Equity shares of Rs. 2/- each fully paid up</b>				
	Gammon Power Limited, Holding Company (upto September 7, 2017)	36,29,99,700	7,259.99	52,80,00,000	10,560.00
	Gactel Turnkey Projects Limited, Fellow Subsidiary (upto September 7, 2017)	-	-	2,24,00,000	448.00
		<b>36,29,99,700</b>	<b>7,259.99</b>	<b>55,04,00,000</b>	<b>11,008.00</b>

- d) **Details of shareholders holding more than 5% shares in the Company**

		March 31, 2018		March 31, 2017	
		Number	%	Number	%
	Gammon Power Limited	36,29,99,700	38.54	52,80,00,000	56.06
	HDFC Trustee Company Limited - HDFC Infrastructure Fund	8,30,84,353	8.82	7,88,64,353	8.37
		<b>44,60,84,053</b>	<b>47.36</b>	<b>60,68,64,353</b>	<b>64.43</b>

- e) As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of the shares.

- f) During the year Gammon Power Limited sold its shares thereby reducing its shareholding to 38.54% and Gactel Turnkey Projects Limited sold its entire shares. Gammon India limited ceased to be ultimate holding company and Gammon power limited ceased to be holding company w.e.f. September 7, 2017.

- g) The Company had issued bonus shares in the year ended Mar'13 to the shareholders other than the promoter group in the ratio of 1:34 (with the fractions being rounded-off to the next higher whole number) aggregating to 5,262,820 equity shares of Rs. 2 each as fully paid by utilising securities premium account aggregating to Rs. 105.26 lacs/-

- h) **Shares reserved under options to be given.**  
60,000 equity shares (March 31, 2017 : 1,20,000 equity shares ) have been reserved for issue as Employee Stock Options. For details refer Note 13A .



13 Other Equity

	As at	
	March 31, 2018	March 31, 2017
i) Retained Earnings	(24,479.49)	(10,029.54)
ii) General Reserve	23.95	23.95
iii) Security Premium Reserve	56,369.47	56,369.47
iv) Employee Stock Option Outstanding	11.52	10.80
	<b>31,925.45</b>	<b>46,374.68</b>

A Employees Stock Options Scheme ('ESOP'):-

During the financial period ending Dec'13 the Company had instituted an ESOP Scheme "GIPL ESOP 2013", approved by the shareholders vide their resolution dated September 20, 2013, as per which the Board of Directors of the Company granted 6,160,000 equity-settled stock options to the eligible employees. Pursuant to the ESOP Scheme each options entitles an employee to subscribe to 1 equity share of Rs. 2 each of the Company at an exercise price of Rs 2 per share upon expiry of the respective vesting period which ranges from one to four years commencing from October 1, 2014.

The details of ESOP's granted under the aforesaid ESOPs Schemes are summarized herein under :

Particulars	Year ended Mar'18	Year ended Mar'17
Grant Date	23-09-2013	23-09-2013
Market Price considered (Rupees)	6.80	6.80
Exercise Price of Options granted during the period (Rs)	2.00	2.00
Options outstanding at the beginning of the period	1,20,000	2,40,000
Options granted during the period	-	-
Options lapsed /forfeited during the period	60,000	-
Options vested during the period	-	1,20,000
<b>Options granted and vesting outstanding at the end of the period</b>	<b>60,000</b>	<b>1,20,000</b>

Of the aforesaid vested options of 1,20,000 ( March 17: 2,40,000 option) , 60,000 options (March 17: 1,20,000 options vested) were lapsed during the year .

The Company has used intrinsic value method for valuation of options by reducing the exercise price from the market value. However if the compensation cost would have been determined using the alternative approach to value options at fair value, the Company's net loss would have been changed to amounts indicated below:

Particulars	Year ended Mar'18	Year ended Mar'17
Net loss as reported	(14,567.53)	(10,405.95)
Add: Stock based compensation expense included in the reported income	0.76	2.39
Less: Stock based compensation expenses determined using fair value of options	0.76	2.39
<b>Net profit / (loss) (adjusted)</b>	<b>(14,567.53)</b>	<b>(10,405.95)</b>
Basic earnings per share as reported	1.55	1.10
Basic earnings per share (adjusted)	1.55	1.10
Diluted earnings per share as reported	1.55	1.10
Diluted earnings per share (adjusted)*	1.55	1.10
Weighted average number of equity shares at the end of the period	94,18,30,724	94,18,06,724
Weighted average number of shares considered for diluted earnings per share	94,18,48,371	94,18,91,430

The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options are as follows:

Particulars	First vesting	Second vesting	Third vesting	Fourth vesting
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Expected volatility (%)	39.31%	44.25%	42.29%	41.78%
Risk-free interest rate (%)	9.86%	9.02%	8.96%	9.03%
Grant date	23-09-2014	23-09-2013	23-09-2013	23-09-2013
Vesting date	01-10-2014	01-10-2015	01-10-2016	01-10-2017
Fair value of share price (Rs.)	6.40	6.40	6.40	6.40
Exercise price (Rs.)	2.00	2.00	2.00	2.00

14 Non-Controlling Interests

	As at	
	March 31, 2018	March 31, 2017
	<b>Non- Current</b>	
Balance, beginning of the period	4,943.04	6,691.14
<b>Adjustments:</b>		
Increase on account of increase in stake in subsidiary	471.75	-
Non controlling Interest in profits/(losses) on subsidiaries for the current period	(3,986.28)	(1,748.10)
Non controlling Interest in other comprehensive income on subsidiaries for the current period	0.34	-
<b>Balance, end of the period</b>	<b>1,428.85</b>	<b>4,943.04</b>



15 Financial Liabilities (at amortised cost)

15.1 Long term Borrowings

I Term Loans (secured)

[refer below for details of security]

- i) Indian rupee loans from banks
- ii) Term loan from Financial Institutions
- iii) Term loan from Others
- iv) Vehicle Loan from Bank

II Term Loans (unsecured)

- i) Loan from related party - GIL

	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Non- Current		Current Maturities	
	2,28,228.37	2,42,874.41	64,533.03	5,292.87
	13,563.83	12,114.19	8.12	8.19
	-	-	-	117.00
	68.10	-	-	-
	100.00	-	-	-
	2,41,960.30	2,54,988.60	64,541.15	5,418.06
Less: disclosed in Other Current Liabilities	-	-	(64,541.15)	(5,418.06)
	2,41,960.30	2,54,988.60	-	-

a) Term Loans

Holding Co.

Term Loans from Others

a) This secured term loan carries an interest rate of 14.50% p.a. It's repayment is in 7 semi-annual structured instalments from June 2014 to June 2017.

b) It is secured by the following:

- (i) Pledge of 26% shares of SSRPL including pledge of 26% of the incremental share capital as and when the same is issued;
- (ii) Hypothecation over the O&M Fees from AEL deposited in the Escrow Account;
- (iii) Hypothecation over the income from the O&M Fees income arising from the GIL O&M Sub-contract;
- (iv) Hypothecation over the O&M Fees to be received from AEL in the Borrower and deposited in the Escrow Account;
- (v) Hypothecation over the developer fee payable by SSRPL to the Borrower under the SSRPL Developer Fee Agreement and deposited in the Escrow Account; and
- (vi) Hypothecation over the developer fee payable by VGRPPL to the Borrower under the VGRPPL Developer Fee Agreement and deposited in the Escrow Account.

c) As the event of certain covenants related to underlying security has been breached the entire outstanding amount has been recalled by the lender and accordingly the outstanding sum due had been classified as current. The amount has been paid during the year.

PHPL

Term loan from Banks

- a) a first mortgage and charge on all the Company's movable properties, immovable properties, tangible assets, intangible assets, all bank accounts (including escrow accounts) and receivables (including annuity) both present and future save and except the Project Assets;
- b) The holding company, Gammon Infrastructure Projects Limited has availed an Overdraft facility from Bank of India against which second charge has been created against the project assets of the company. The charge was executed on February 9, 2018 in favour of the bank. However, the creation of charge has not been registered with the Registrar of Companies till date.
- c) pledge of 30% of equity shares of the Company presently held by GIPL.
- d) non disposal undertaking (NDU) for 70% of the paid up equity capital of the Company.
- e) unconditional and irrevocable corporate guarantee of the Promoter guaranteeing the repayment of the secured obligations in the event of termination of the Concession Agreement pursuant to occurrence of any Concessionaire Default during the construction period, which shall stand discharged upon occurrence of the CoD.
- f) The Company had entered into a Master Restructuring Agreement with its lenders based on which the term loan is repayable in 25 semi-annual instalments commencing August 17, 2017. The amount of repayment is determined as a % of revised loan amount ranging from 0.1% to 30.00% of the loan in respect of each instalment. The interest rate applicable to the Company is the highest of the rates individually determined by each member of the lenders consortium. The rate of interest is 8.80 to 9.05 % (previous year 10.50 to 10.75%). During the year, the lenders have reduced the interest rates on the loans and accordingly, there is an interest reversal of Rs.1931.65 lacs which has been accounted for during the year.
- g) **NPA disclosure**  
The Project achieved Provisional Commercial Operations Date (PCOD) on September 01, 2016 and thereafter has received 3 (three) annuity payments (semi-annual basis) from the Concessioning Authority (the Client). The 3rd (third) annuity payment for the Project was delayed by over 90 (ninety) days, resulting in the Company not being able to meet its debt servicing obligations of 3 (three) out of its 7 (seven) consortium lenders. Since, the delay was for a period of over 90 (ninety) days, these 3 (three) consortium lenders classified the debt provided to the Company as a Non-Performing Asset (NPA) as per the Reserve Bank of India (RBI) guidelines. Subsequently, on receipt of the 3rd (third) annuity payment, the Lead Bank released the overdue amount of these 3 (three) Lenders. 2 (two) of these 3 (three) lenders reclassified their loan account as 'Standard', while the 3rd (third) lender due to an erroneous transfer of a lower amount towards their debt dues by the Lead Bank, continues to classify their debt as NPA.
- h) As at March 31, 2018, out of total consortium lenders, Company was unable to obtain balance confirmations from 3 lenders.

VSPL

Loans from Bank and Financial Institution

Term loan from bank and financial institution is secured by way of first charge on the movable and immovable properties of the Company, both present and future, subject to the provisions of the License Agreement with the Concessionaire, first charge on the entire cash flows, receivables, book debts and revenues of the Company of whatsoever nature and whenever arising, both present and future subject to the provisions of the License Agreement and first charge on all the Trust and Retention Account, DSR and any other reserves and other bank accounts.  
Pledge of 50.2% of paid-up share capital of the Company held by Gammon Infrastructure Projects Limited. Also secured by way of assignment of all project contracts (including license agreement, documents, insurance policies relating to all assets of the project, rights, titles, permits/approvals, clearances and interests of the Company).

**IDFC Bank Loan:** Repayment of loan started from 1 July 2012 and is payable in structured quarterly instalments up to 1 April 2027. Rate of interest applicable to IDFC is equivalent to 2% p.a over and above the benchmark. Effective interest rate 10.5% p.a. at March 31, 2018 (previous year: EIR 11.90% p.a. as at March 31, 2017)

**Housing Development Finance Corporation Limited :** Repayment of loan started from 1 October 2015 and is payable in structured quarterly instalments up to 1 April 2027. Rate of interest applicable to HDFC is equivalent to 2.25% p.a over and above the benchmark.

Vehicle Loan from Bank

The Vehicle loan is taken for a tenure of eight years , repayable in EMI of Rs 125000/- per month. Vehicle loans is secured against the same vehicle for which loan is taken.





#### SSRPL

##### Term loan from Bank and Financial Institution

The above term loan from financial institution is secured by a first mortgage and charge on all the Company's movable properties, immovable properties, tangible assets, intangible assets, and all bank accounts (including escrow accounts)

Term loan from banks carries an interest rate at MCLR 5 years (8.65%)+ 2.95% which is equal to 11.60 %p.a upto COD.

The Company envisages that the Provisional COD Certificate will be received by June 30, 2018. In view of the discussions with MPRDC regarding extension of COD, the Company had submitted a restructuring proposal to the Lenders. As per the restructuring proposal, no further loans were to be availed from the Lenders to meet the increase in project costs. The original repayment schedule of the senior debt has been revised with the repayment instalments to commence from September 2019. The Company has received the revised sanctions for senior debt from the Lenders and the documentation for the same are in the process of being executed.

The Company has accounted for the interest on borrowings as per Common Loan Agreement and Sanctions. This is different from the charges levied by the lenders. The Company has taken up the matter with the lenders and they are hopeful of a favourable resolution. To that extent all balances are not matched and the difference are shown as contingent liabilities. Such excess charges are also not covered for the default statement.

#### PREL

##### Term Loan from Bank

The above term loan from bank is secured by a first mortgage and charge on all the Company's immovable properties, movable properties, tangible assets, intangible assets, and all bank accounts (including escrow accounts) except fuel and receivables. Fuel and receivables shall entail second charge.

Term loan from Central Bank of India (outstanding current year: Rs 9,839.26 lacs, previous year: 10,256.56 lacs) carries an interest of MCLR (1 year) plus spread of 295 basis points.

Term loan from Corporation Bank (outstanding current year: Rs 6,574.32 lacs, previous year: 6,972.32 lacs) carries an interest of MCLR (1 year) plus spread of 270 basis points. Further if Company is paying higher Rate of Interest (ROI) to Central Bank of India then same ROI will apply to term loan from Corporation Bank as well.

Pravara Renewable Energy Ltd. (PREL) is operating 30 MW Co-Gen Bagasse Based Power Generation Plant within the premises of Padmashree Dr. Vithalrao Vikhe Patil Sahakari Sakhar Karkhana, Pravara Nagar. This power plant is located in the revenue block of Lohgaon village, Rahata Tehsil.

This Co-Gen Power plant is setup by PREL on built own operate and transfer basis as per the Project Development Agreement dated 12-Jul-2010 with Padmashree Dr. Vithalrao Vikhe Patil Sahakari Sakhar Karkhana, Pravara Nagar (Karkhana). PREL commissioned the Power Plant and started supply of electric power to the Grid on 06-Nov-2015 using bagasse as a fuel.

The draught situation in the state of Maharashtra in the previous years had resulted in severe shortage of Bagasse resulting in the Plant operating at a sub-optimal capacity even during the crushing season. Usage of alternate fuel to run the plant in off-season was unviable due to High cost / erratic supply of alternate fuel like Coal / Biomass / Cane Trash in the previous years.

This resulted in a cashflow mismatch and resultant delay in servicing of Lenders dues.

Due to overdues in the account, SDR was invoked by the lenders in line with JLF decision with a reference date of 25.10.2017. However, in view of the RBI circular dated 12.02.2018, SDR invocation was cancelled and the account was marked NPA w.e.f 31.12.2017.

The Company is in discussion with the lenders to allow the revenue collections to be utilized by the company in an agreed ratio with the lenders for Purchase of alternate fuel to run the plant during off season. The company is hopeful of a turnaround based on this plan to run the Plant during the off-season resulting in an optimal utilisation of Plant capacity.

#### RGBL

##### Term Loan from Bank

The Loan together with all, interest, additional interest, liquidated damages, premium on pre payment, costs, expenses and other monies whatsoever stipulated in the Loan Agreement ("Secured Obligations") shall be secured by:-

- a) a first mortgage and charge on all the Company's immovable properties, both present and future;
- b) a first charge by way of hypothecation of all the Company's tangible moveable assets, including, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
- c) a first charge on Company's receivables;
- d) a first charge over all bank accounts of the Company including without limitation, the Escrow Account, the Debt Services Reserve Account, the Retention Accounts (or any account in substitution thereof) and such other bank accounts that may be opened in terms hereof and of the Project Documents and in all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto save and except the sums lying to the credit of the Distributions Sub-Account and the gains and profits arising out of the Authorised Investments or investments made in any other securities from the Distribution Sub-Account.
- e) a first charge on all intangibles of the Company including but not limited to goodwill, rights, undertakings and uncalled capital, present and future;
- f) a first charge by way of assignment or otherwise creation of Security Interest in:
  - i) all the right, title, interest, benefits, claims and demands whatsoever of the Company in the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
  - ii) the right, title and interest of the Borrower by way of first charge in, to and under all the Government Approvals;
  - iii) all the right, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;
  - iv) all insurance contracts/ insurance proceeds;
- g) Pledge of 51% of equity shares of the Company presently held by Gammon Infrastructure Projects Limited.
- h) Corporate Guarantee of the Sponsor:
  - i) to cover the aggregate principal amounts of the loans in the event of termination of the Concession of the agreement pursuant to occurrence of any Concessionaire Default during the Construction Period, which shall stand discharged upon occurrence of the COD.
  - ii) to cover the shortfall in the DSRA as stipulated in Article 2.23 (i).

The above mentioned long term loans carries interest rate of MCLR plus 280 basis points. The rate of interest is calculated based on the highest interest rate charged by any consortium bankers

The Company has entered into a Concession Agreement with Andhra Pradesh Road Development Corporation (APRDC) on 5th November 2008 for building a bridge and maintaining it for a period of 25 years on DBFOT basis on Rajahmundry side in state of Andhra Pradesh. As per the agreement, the total project cost was estimated at Rs. 86,110 lacs. The Company had availed a term loan of Rs.56,600 lacs crores from the consortium of bankers. The project was due to be completed on 26th May 2012. However, the project got delayed for the reason, which is not attributable to the Company. Due to the delay in project, there was cost overrun thereby increasing the total project cost by Rs.17215 lacs to Rs 103325 lacs. In March 2015, the Consortium Bankers have restructured the said loan. As per the terms of the restructuring, the Company has received the additional funding from the consortium bankers to the extent of Rs.8789 lacs. The Company is required to pay the initial loan with the additional loan in 168 monthly instalments with effect from April 2016 which Company has defaulted amounting to Rs 261 lacs (PY Rs 130 lacs). The regular Interest on the said loan has been serviced by the Company till December 2016. Thereafter, the term loan account of the Company has been classified as a Non performing Asset. However, the banks have not recalled the loans. Accordingly, the loans have been disclosed as a Non current Liability. The Company has defaulted in repayment of interest on its secured loan amounting to Rs. 11699.7 lacs (PY 6742.83 lacs) as on March 31, 2018.



b) The schedule for repayment of the term loan is as under :

Particulars	March 31, 2018	March 31, 2017
Instalments payable within 1 year	64,541.58	5,418.06
Instalments payable between 2 to 5 years	62,552.77	48,316.58
Instalments payable beyond 5 years	1,79,407.55	2,06,672.01
<b>Total</b>	<b>3,06,501.45</b>	<b>2,60,406.65</b>

c) Pledge of shares :

The equity shares held by the Company and / or GIL in a subsidiary and /or joint venture company of the Group are pledged with respective lenders or consortium of lenders for the individual secured loan availed by the said subsidiary and / or joint venture company from their respective lenders or consortium of lenders.

Particulars	Face value of Equity shares	Number of equity shares pledged March, 2018	March, 2017
BBHPL	10.00	2,600	2,600
CBICL	10.00	16,64,019	16,64,019
ICTPL	10.00	1,65,00,000	1,65,00,000
PHPL	10.00	59,40,000	59,40,000
RGBL	10.00	14,05,19,039	14,05,19,039
SHPL	10.00	3,19,95,331	3,19,95,331
SSRPL	10.00	11,93,06,600	16,36,13,200
VSPL	10.00	6,37,70,015	6,37,70,015
<b>Total</b>		<b>37,96,97,604</b>	<b>42,40,04,204</b>

The change in the balances between March 31, 2018 & March 31, 2017 represent additional / reduction of pledge during the period ended March 31, 2018.

d) Details of continuing defaults with respect to principal repayments are as under:

As at March 31, 2018	1 to 90 days	91 to 180 days	181 to 365 days	365 days & above
PREL	643.93	-	-	-
PHPL	3,114.84	-	-	-
ICTPL	1,625.24	1,929.39	3,859.68	15,804.15
RGBL	-	-	131.00	130.00
CBICL	-	-	-	746.78
<b>As at March 31, 2017</b>	<b>1 - 90 days</b>	<b>91 to 180 days</b>	<b>181 to 365 days</b>	<b>365 days &amp; above</b>
GIPL	117.00	-	-	-
PREL	120.00	-	-	-

e) List of defaults incurred during the year and remedied by the balance sheet date

As at March 31, 2018	1 - 90 days	91 to 180 days	181 to 365 days	365 days & above
GIPL - Principal	-	-	-	-
PREL - Principal	347.00	258.07	139.00	-
PREL - Interest	495.48	482.67	296.68	-
ICTPL	-	-	-	-
RGBL	-	-	-	-
PHPL - Principal	2,790.29	-	-	-
PHPL - Interest	6,581.01	572.25	-	-
VSPL - Principal	1,652.91	-	-	-
VSPL - Interest	1,759.45	-	-	-



15.2

Other Financial Liabilities (at amortised cost)

i)	Current maturity of long term borrowings to banks, financial institutions and others
ii)	Interest accrued and due to banks and financial institutions to others
iii)	Interest accrued but not due to related parties to banks and financial institutions
iv)	Dues to ultimate holding Company
v)	Other liabilities towards capital expenditure
vi)	Other dues - related parties
vii)	Advance received for sale of equity shares
viii)	Share application Money received
ix)	Capital Advance
x)	Deferred Payment liability (Additional Concession fees)
xi)	Deposit received towards Margin Money from related parties
xii)	Other Liabilities
xiii)	Advance received from sub-contractor
	<b>Total</b>

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
-	-	64,541.15	5,418.06
-	-	37,016.39	9,944.38
-	-	158.13	95.00
-	-	-	41.63
-	-	4.21	247.43
-	-	-	1,190.65
-	-	111.11	257.06
-	-	28.21	27.47
-	-	265.20	265.20
-	-	-	1,600.00
1,500.00	1,500.00	-	-
72,875.76	72,875.76	-	-
-	100.00	-	-
-	-	5,733.95	1,361.00
-	-	1,000.00	1,000.00
<b>74,375.76</b>	<b>74,475.76</b>	<b>1,08,858.35</b>	<b>21,447.88</b>

c) Details of continuing defaults with respect to interest on loans are as under:

As at March 31, 2018

	1 - 90 days	91 to 180 days	181 to 365 days	365 days & above
PHPL	2,771.68	-	-	-
PREL	672.04	53.60	-	-
SSRPL	441.55	-	-	-
ICTPL	2,184.70	2,180.99	4,207.09	12,381.83
RGBL	-	-	4,956.87	6,742.83
CBICL	79.13	-	-	296.42

As at March 31, 2017

	1 - 90 days	91 to 180 days	181 to 365 days	365 days & above
GIPL	95.00	-	-	-
PHPL	2,685.28	-	-	19.33

16 Long Term Provisions

i) Provision for employee benefits :

Leave Encashment	155.21	151.97	97.97	66.02
Gratuity	95.42	76.31	30.14	15.32

ii) Provision for Project Obligations:

Provision for periodic maintenance	1,395.62	388.40	-	-
Provision for Project Obligations	1,821.46	1,493.59	113.73	113.73
Provision for demurrage charges	-	-	140.81	40.93

Total

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
155.21	151.97	97.97	66.02
95.42	76.31	30.14	15.32
1,395.62	388.40	-	-
1,821.46	1,493.59	113.73	113.73
-	-	140.81	40.93
<b>3,467.71</b>	<b>2,110.27</b>	<b>382.65</b>	<b>236.00</b>

a) Provision for Project Obligations :

The above includes:

Provision made by Holding Company for Obligation on Sale of Subsidiaries in previous year ended March 31, 2016

In accordance with PDA entered by one of the subsidiaries with Karkhana, at the end of 25 years after commercial operation the subsidiary is required to incur the expenditure to bring the plant back to its normal working condition which will result in decommissioning Obligation on the part of the subsidiary maximum upto Rs 200 lacs. Accordingly, the subsidiary has created provision for the said expenditure to be incurred in future in accordance with Ind AS 16 "Property Plant and Equipment".

Provision for replacement cost represents the contractual obligation of the Company to restore the project facilities and services developed under the Agreement to a specified level of serviceability during and at the end of the licensing period.

Provision for Project Obligations is on account of provision made towards obligations to the purchaser of equity shares of SPV's towards project related

Disclosure under IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

Particulars	Opening	Addition	Finance Cost on outstanding provision	Utilisation	Closing
<b>Provision for Project Obligations</b>					
Current Year (as at March 2018)	1,607.32	326.02	1.85	-	1,935.19
Previous Year (as at March 2017)	1,475.07	276.85	1.67	(146.27)	1,607.32
<b>Provision for periodic maintenance</b>					
Current Year (as at March 2018)	388.40	1,007.32	-	-	1,395.72
Previous Year (as at March 2017)	101.83	286.57	-	-	388.40



b) Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.

The company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service. The Company's gratuity liability is unfunded.

i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow:

Particulars		As on March 31, 2018	As on March 31, 2017
<b>(a) Reconciliation of opening and closing balances of Defined benefit Obligation</b>			
Defined Benefit obligation at the beginning of the year		99.35	92.28
Current Service Cost		18.80	14.54
Interest Cost		8.01	7.74
Actuarial (Gain) /Loss		14.87	(14.37)
Past employees Service		-	-
Benefits paid		(15.47)	(8.58)
<b>Defined Benefit obligation at the year end</b>		<b>125.56</b>	<b>91.62</b>
<b>(b) Expenses recognized during the year ( Under the head “ Employees Benefit Expenses )</b>			
Current Service Cost		18.80	14.54
Interest Cost		8.01	7.74
Past employees Service		-	-
Actuarial (Gain)/Loss		14.87	(14.37)
<b>Net Cost</b>		<b>41.68</b>	<b>7.91</b>

### ii) Actuarial assumptions

Particulars	As on March 31, 2018	As on March 31, 2017
Mortality Table (LIC)	Indian Assured Lives 2006-08	
Discount rate (per annum)	7.50%-8.00%	6.5% to 8%
Expected rate of return on Plan assets (per annum)	NA	NA
Rate of escalation in salary (per annum)	5%-7%	5%-7%
Withdrawal rate:		
- upto age of 34	2%-5%	3%-5%
- upto age of 35-44	2%	2%-3%
- upto age 45 & above	1%-2%	1%-2%
Retirement age	60 years	60 years

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the company fully or partially pre-fund the liabilities under the plan. Since the liabilities are unfunded there is no asset liability matching strategy devised for the plan.

In the absence of adequate details, sensitivity analysis is not disclosed.

## 17 Deferred Tax Liabilities (Net)

Deferred Tax Liability on account of :

- Depreciation

Deferred Tax Asset on account of :

- Tax Disallowances -u/s 43B

Total

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
6,369.13	5,883.34	-	-
(2.81)	(173.91)	-	-
<b>6,366.32</b>	<b>5,709.43</b>	<b>-</b>	<b>-</b>

## 18 Other Liabilities

- i) Mobilization Advance - MPRDC -NCL

ii) Duties and Taxes payable

iii) Government grants / (Deferred revenue)

- iv) Unearned revenue

- iv) Unearned revenues
- v) Advance from customers

- vi) Other Payables

Total

As at		As at	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non- Current		Current	
500.00	500.00	-	-
-	-	416.26	536.65
45,537.43	39,223.80	665.36	390.19
-	-	48.19	16.55
-	-	456.32	587.97
38.50	38.50	509.00	411.90
46,075.93	39,762.30	2,095.13	1,943.26



		As at	
		March 31, 2018	March 31, 2017
19 Short Term Borrowings (at amortised cost)			
Bank overdraft (repayable on demand)		6,532.68	7,121.40
Loan from financial institutions		1,120.48	-
<b>Total</b>		<b>7,653.16</b>	<b>7,121.40</b>
The above amount includes			
Secured borrowings		6,532.68	3,502.12
Unsecured borrowings		1,120.48	3,619.29
		<b>7,653.16</b>	<b>7,121.40</b>

(I) **Pravara Renewable Energy Limited**

- Cash credit from banks are against first charge on inventory, receivables, fuel stock and other current assets and second charge on fixed assets the Company.
- Cash credit from Central Bank of India carries an interest of MCLR (1 year) plus spread of 345 basis points.
- Cash Credit from Corporation Bank carries an interest of MCLR (1 year) plus spread of 320 basis points. Further if Company is paying higher Rate of Interest (ROI) to Central Bank of India then same ROI will apply to term loan from Corporation Bank as well.

(II) **Gammon Infrastructure Projects Limited**

- Bank of India has sanctioned facility of Rs. 8,000 lacs to Gammon Infrastructure Projects Limited (GIPL). This involves Rs. 2500 lacs of overdraft facility and Rs. 5,500 lacs of non fund facilities ( Bank Guarantee). The BOI sanction dated 31st August 2016 stipulated the requirement of second charge on the project assets of Patna Highway Projects Limited, wholly owned subsidiary of GIPL. The second charge on the PHPL assets for the above mentioned facility was executed on 9th February 2018 in favour of BOI. Loan carries an interest @ 13.30% (PY : 14.75%)

(III) **Sikkim Hydro Power Ventures Limited**

- Loan represents interest free working capital loan repayable by March 2019.

(iv) **Details of continuing defaults are as under:**  
As at March 31, 2018

	1 to 90 days	91 to 180 days	181 to 365 days	365 days & above
GIPL - Principal	17.26	-	-	-
PREL - Principal	15.41	-	-	-
PREL - Interest	47.57	-	-	-

(v) **List of defaults incurred during the year and remedied by the balance sheet date**  
As at March 31, 2018

	1 to 90 days	91 to 180 days	181 to 365 days	365 days & above
GIPL - Principal	1,125.00	-	-	-
GIPL - Interest	479.18	-	-	-
PREL - Interest	78.37	-	-	-

20 **Trade Payables (at amortised cost)**

- Trade payables - Micro, small and medium enterprises
- Trade payables - Others

**Total**

As at	
March 31, 2018	March 31, 2017
-	-
20,422.72	11,181.69
<b>20,422.72</b>	<b>11,181.69</b>

a) **Amounts due to Micro, Small and Medium Enterprises**

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

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 is relied upon by the auditors.

21 **Liabilities for current tax (net)**

Provision for taxation, net of advance tax

**Total**

As at	
March 31, 2018	March 31, 2017
1,743.90	1,847.57
<b>1,743.90</b>	<b>1,847.57</b>

22 **Revenue from Operations**

- Construction contract revenue
  - Operating and Maintenance Income
  - Toll revenue (refer note)
  - Finance Income
  - Revenue from power projects
  - Revenue from port operations
- Total Operating Revenue**

2017-18	2016-17
17,927.27	26,438.73
740.25	-
5,674.39	8,411.24
11,924.09	12,546.37
5,658.42	5,583.62
19,374.21	12,976.97
<b>61,298.63</b>	<b>65,956.92</b>





<b>Other Operating Revenue</b>		
i) Weightment charges	-	4.48
ii) Scrap sales	904.53	198.03
iii) Other miscellaneous income	271.11	140.68
<b>Total Other Operating Revenue</b>	<b>1,175.64</b>	<b>343.19</b>
<b>Total</b>	<b>62,474.27</b>	<b>66,300.11</b>

a) In VGRPPL the toll collection till August 26, 2016 has been recognized as Toll revenue.

b) In accordance with the principles in Appendix A to Ind AS 11 relating to accounting for Service Concession Agreements, the Group has started recognizing construction revenue in its Statement of Profit & Loss. The construction service being rendered for eventual BPS/tolling operations to be carried out by the SPV itself, the management has recognized the same at cost plus margin.

c) In accordance with the principles laid down in Appendix A of Ind AS 11, the PPP concession agreement of the company with NHAI gets recognised as Financial Asset. The Finance income above is recognised on the basis of EIR of the project cash flows.

d) Disclosures as required by Appendix B of Ind AS 11 relating to "Service Concession Arrangements: Disclosures"

i) Description of the Arrangement along with salient features of the project:

**Sidhi Singrauli Road Project Limited** is incorporated under the Companies Act, 1956, on April 24, 2012, as a subsidiary of Gammon Infrastructure Projects Limited to provide, to undertake and carry on the business of four laning of Sidhi Singrauli section of National Highway No.75E from km. 83/4 to km 195/8 in the State of Madhya Pradesh on design, build, finance, operate and transfer basis.

**Vijayawada Gundugolanu Road Project Private Limited** one of the SPV of the Group has undertaken to carry on the project of Six laning of Vijayawada – Gundugolanu section of NH-5 from km 1076.48 to km 1022.48 including six lane Hanuman Junction Bypass (Length 6.72 km) and four lane Vijayawada Bypass (Length 47.88 km) [Total Length: 103.59 km] in the state of Andhra Pradesh under NHDP Phase V to be executed in BOT (Toll) mode on Design Built Finance Operate and Transfer 'DBFOT' basis ("Project"). In terms of the Concession, the SPV is required to pay additional concession fees for collecting the toll on the four lane project. The SPV is also required to convert the four lanes into six lanes. The SPV in exchange for the construction and maintenance of the road acquires the right to collect toll from the user of the facility and the Grantor controls the toll rates under the Concession agreement. The collection of the revenue will depend upon the traffic on the facility and also the rates determined by the grantor. The Concession is granted for a total period of 30 years. The tolling rates are re-set at regular intervals based on the changes in the wholesale price index. The traffic projections are based on the traffic study before the grant of the concession.

**Patna Highways Projects Limited** one of the SPV of the Group has entered into a Concession Agreement ('the Contract') with the National Highways Authority of India ('NHAI') for the development, maintenance and operation of road from Patna (Hajipur) to Muzaffarpur in the state of Bihar on Build Operate and Transfer ('BOT') Annuity basis. In respect of the project on annuity basis of the SPV, The SPV has recorded the project in accordance with the requirement of Appendix A to Ind AS 11, titled "Service Concession Arrangement" with retrospective period in accordance with the requirements of Ind AS 101- First Time Adoption. Accordingly, the Company has recognized "Trade Receivables" being financial asset as against the earlier accounting as per previous GAAP of Intangible Asset under Development. Thus, the SPV is recognizing construction revenue and financial income as per the "Financial Asset Model" of Appendix A to Ind AS 11

**Vizag Seaport Private Limited** one of the SPV of the Group has entered into a license agreement ("the Agreement") with Visakhapatnam Port Trust (VPT) for construction and license out equipment operation management and maintenance of two multi purpose berths EQ 8 and EQ 9 in the northern arm of inner harbour at Visakhapatnam Port for handling Coal, Lime Stone, Rock Phosphate, Sulphur and other bulk cargo or General cargoes or container or liquid bulk cargo (non-hazardous) on Build, Operate and Transfer (BOT) basis for the period of 30 year concession (including construction period of two years). The license agreement with VPT was signed on 28 November 2001 for a period of 30 years. The premature termination is permitted only upon the happening of force majeure events or upon the parties defaulting on their respective obligations.

**Indira Container Terminal Private Limited** has signed a License Agreement ('LA') with the Board of Trustees of the Port of the Mumbai ('MbPT') on December 3, 2007 for operation and management including necessary developments, modifications and augmentation of facilities, of the Ballard Pier Station Container Terminal ('BPS') and development, construction, operation and management of an Offshore Container Terminal ('OCT') in the Mumbai harbour to be implemented in accordance with the Major Port Trusts Act, 1963 and the Guidelines for Private Sector Participation through Build, Operate & Transfer (BOT) basis. Pursuant to detailed negotiation with MbPT on the concession agreement for the Offshore Container Terminal, the parties have finally agreed in principal to enter into a settlement agreement between Board of Trustees of MbPT, Company and the lenders. Highlights of the draft supplementary agreement are provided in the para under Corporate Information.

ii) **Obligations of Operations and maintenance**

The SPV's of the Group are required to carry out operations and maintenance on the berth / road annually with an obligation to carry out Period maintenance in terms of the Concession at regular intervals

iii) **Changes to the Concession during the period**

No changes in the arrangement of SPVs with the grantor have occurred during the accounting period except listed below:

In case of one of the SPV i.e. VGRPPL, the SPV had received a notice of termination from NHAI on August 26, 2016. Consequently NHAI took possession of the toll plaza and tolling was suspended by the Company. Accordingly, the company suspended amortization of the Intangible Asset from that date and also stopped accruing interest liability on the deferred payment liability from that date.

Subsequently, as a result of the efforts of the Company and dialogues with top officials of NHAI and MORTH, NHAI had agreed to revoke the termination notice vide letter dated 16th Jan, 2017 and also agreed to handover of Toll plazas subject to completing financial closure and fulfilling other commitments as specified in the letter within the stipulated time frame. Pursuant to the requirements stipulated by NHAI the Company had entered into a binding agreement with a Strategic investor for a committed equity participation of 49% in the Project. With the committed equity participation by the Strategic investor, bankers had expressed their willingness to give their respective sanctions, which were under final stages of approval for financial closure of this Project. The management was hopeful of the financial closure of the project and the project being revived.

The Company however could not achieve financial closure and consequently its agreement with Hinduja Realty Ventures also was terminated. Due to delay of 2.5 years in fixing the Appointed Date and the Financial Closure, a situation of "Force Majeure" has been created which is beyond the control of both the Parties. Accordingly, the company, vide its letter dated September 8, 2017 has made a consent application for "mutual exit" from the project.

In case of one of the SPV i.e. PHPL, the SPV has cost overrun on account of issue beyond the scope of the company and attributable to the Grantor. This will not result in any changes in the Annuity from the grantor. However this amount will be treated separately as receivable from the Grantor based on certification of delay period attributable to the Grantor certified by the Independent Engineer. The Company expects a sizeable claim on this amount and has obtained legal support for the validity of its claim from an Independent Expert on claim and litigation. The Company had also applied to the lenders for 5/25 flexible Structuring Scheme. However, in view of the RBI circular dated February 12, 2018, the application became infructuous. During the year, the management, although having a valid claim for compensation, supported by Independent Engineer's assessment, has decided to account the finance income under the annuity model on the basis of the original plan. The cost overrun attributable to reasons beyond the control of the management and attributable to the grantor is accounted as a separate receivable against the claim. No finance income is accounted on such cost overrun in the annuity model on a conservative basis till the final decision of the realisability is settled pursuant to arbitration and other legal proceedings.

**ICTPL** : During the previous years, the Company had finally decided to capitalize the expenditure as intangible asset being the right to operate the berth facility for a fee. This was done pursuant to the ongoing negotiations and discussions around the fact that the project could not be commissioned as per the original plan. The concession period may get revived after the finalization of the Supplementary Agreement.



iv) **Classification of the Concession**

The Group has applied the principles enumerated in Appendix A of Ind AS – 11 titled "Service Concession Arrangement" and has classified the arrangement as a Tolling / berth arrangement resulting in recognition of an Intangible Asset. Revenue is recognised during the construction period as revenue from construction services with the corresponding debit to Intangible assets under development. Revenue is recognised on cost plus margin basis. In case of one of the SPV i.e. PHPL where the SPV is receiving annuity from the grantor, has classified the arrangement as a Financial Asset resulting in recognition of an Financial Asset. Revenue is recognised during the construction period as revenue from construction services as well as financial income.

v) **Recognition of Construction services revenue and costs:**

The Group has applied INDAS 11 "Service Concession Arrangement" retrospectively and has recognised margin on Construction activity and the same is debited to Intangible Assets and credited to Reserve and Surplus on the transition date.

vi) **The Company has recognised the following Revenue and costs from construction services.**

Construction Revenue (including change of Scope)
Construction Cost
Finance Income
Finance Cost

2017-18	2016-17
18,667.52	26,438.73
15,969.48	22,168.70
11,924.09	12,546.37
9,286.52	11,110.16

**23 Other Income**

- i) Rent income
- ii) Claim for Stoppage
- iii) **Interest Income**
  - On Fixed Deposits with Banks
  - On Income Tax Refund
  - Others
- iv) Net gain on financial asset through FVTPL
- v) Profit on Sale of Assets
- vi) Profit on sale of mutual fund investments
- vii) Write back of provision for advances
- viii) Miscellaneous Income
- ix) Amortisation of grant
- Total**

2017-18	2016-17
164.33	-
165.69	-
359.40	6.93
214.84	251.84
109.09	640.03
239.64	175.25
1.18	0.45
139.81	361.39
43.20	368.90
0.24	92.32
390.19	342.27
<b>1,827.61</b>	<b>2,239.38</b>

**24 Project expenses**

- i) EPC Cost
- ii) Operation and Maintenance expenses
- iii) Cargo related expenses
- iv) Sub-contractor expenses
- Total**

2017-18	2016-17
1,327.15	3,462.07
2,662.63	629.14
10,539.09	8,640.43
13,442.32	18,706.64
<b>27,971.19</b>	<b>31,438.27</b>

**24A Purchase of traded goods**

- i) Purchase of coal
- Total**

144.20	-
<b>144.20</b>	<b>-</b>

**25 Changes in inventory of consumables**

- Opening stock of raw materials
- Add: Purchase
- Less : Closing stock of materials
- Opening stock of traded goods
- Less : Closing stock of traded goods
- Total**

2017-18	2016-17
863.13	49.41
1,619.72	3,414.70
49.10	863.13
-	-
144.20	-
<b>2,289.55</b>	<b>2,600.98</b>

**26 Employee benefit expenses**

- i) Salaries, wages and bonus
- ii) Contributions to Provident Fund
- iii) Gratuity and Leave Encashment expense
- iv) Staff Welfare Expenses
- v) Employees 'ESOP' compensation cost (net of reversal)
- vi) Other expenses
- Total**

2017-18	2016-17
1,986.38	1,777.31
75.02	59.43
83.05	54.60
57.72	27.01
0.72	2.39
3.63	11.45
<b>2,206.53</b>	<b>1,932.18</b>

- a) Due to inadequacy of profits, Managerial remuneration amounting to Rs. 497.17 lacs for the period upto March 2017 was paid in excess of the limits specified under Schedule XIII of the Companies Act 1956 and Schedule V of the Companies Act 2013 wherever applicable. The Payment of Excess Management remuneration has been approved by the Nomination & Remuneration Committee, Board of Directors and also by the shareholders at the last Annual General Meetings held on 30th September, 2016 & 19th December, 2017.

The Company has made representation to the Ministry of Corporate Affairs (MCA) to reconsider its earlier decision wherein the applications made by the Company for approval for waiver of recovery of the said excess remuneration Rs. 388.45 lacs for the period upto March 2016 was rejected. For the balance amount of Rs. 108.72 lacs paid for the previous financial year ended 31st March, 2017 the Company has made an application to the Ministry of Corporate Affairs (MCA) for approval of the same. Pending these approvals, no adjustments have been made to the financial statements for the remuneration.

**27 Depreciation & amortization**

- Depreciation
- Amortisation
- Total**

2017-18	2016-17
1,514.37	1,435.86
7,209.86	3,515.17
<b>8,724.22</b>	<b>4,951.03</b>





32 Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.

Net Profit / (loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:

Particulars	2017-18	2016-17
Net Profit / (Loss) as per Statement of Profit and Loss	(14,567.53)	(10,405.95)
Outstanding equity shares at period end	94,18,30,724	94,18,30,724
Weighted average Number of Shares outstanding during the period – Basic	94,18,30,724	94,18,06,724
Weighted average Number of Shares outstanding during the period - Diluted	94,18,48,371	94,18,91,430
Earnings per Share - Basic (Rs.)	(1.55)	(1.10)
Earnings per Share - Diluted (Rs.) *	(1.55)	(1.10)

\* The EPS on dilutive basis is anti-dilutive and therefore it is same as basic EPS.

Reconciliation of weighted number of outstanding during the period:

Particulars	2017-18	2016-17
Nominal Value of Equity Shares (Rs per share)	2.00	2.00
<b>For Basic EPS :</b>		
Total number of equity shares outstanding at the beginning of the period	94,18,30,724	94,17,70,724
Add : Issue of Equity Shares	-	60,000
Total number of equity shares outstanding at the end of the period	94,18,30,724	94,18,30,724
Weighted average number of equity shares at the end of the period	94,18,30,724	94,18,06,724
<b>For Dilutive EPS :</b>		
Weighted average number of shares used in calculating basic EPS	94,18,30,724	94,18,06,724
Add : Equity shares arising on grant of stock options under ESOP	17,647	84,706
Less : Equity shares arising on grant of stock options under ESOP forfeited / lapsed (included above)	-	-
Weighted average number of equity shares used in calculating diluted EPS	94,18,48,371	94,18,91,430

33 Details of Joint Ventures

a) Details of Joint Ventures entered into by the Company.

Particulars	% of Interest as at	
	March 31, 2018	March 31, 2017
Blue Water Iron Ore Terminal Private Ltd (BWOTPL) *	10%	10%
Indira Container Terminal Private Ltd **	0%	50%
SEZ Adityapur Ltd	38%	38%
GIPL - GIL JV	95%	95%

All the above joint ventures entities are incorporated in India.

\* GIPL had entered into a Joint Venture agreement for 31% equity stake in BWOTPL. However, GIPL had contributed only 10.12% in the equity capital of BWOTPL. BWOTPL has initiated the process of liquidation and the group management believes that it does not have any obligation to further contribute in the equity capital of BWOTPL. Accordingly the interest is restricted to 10.12%.

\*\* ICTPL was a joint venture in the previous year and is a subsidiary in the current year.

34 Commitments

Particulars	March 31, 2018	March 31, 2017
Capital Commitments:	1,17,467.83	2,88,847.72
Export obligations	2,289.67	2,289.67
Other Commitments:		
- Share of equity commitment in SPV's	45,506.62	58,729.13
- Buyback / purchase of shares of subsidiaries	3,800.00	5,300.00
<b>Total</b>	<b>1,69,064.12</b>	<b>3,55,166.52</b>

35 Contingent Liabilities

a) Guarantees:

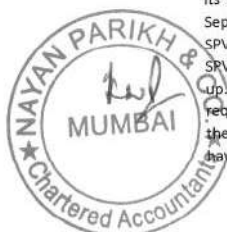
- The Company has issued Corporate Guarantees as a security for loan availed by its subsidiaries, amounting to Rs.331,320.00 lacs (PY :Rs. 333,320.00 lacs)
- Counter Guarantees given to the bankers for the guarantees given by them on our behalf Rs.14,803.30 lacs (previous period Rs.13,735.18 lacs).

b) Particulars

	March 31, 2018	March 31, 2017
i) Income tax matters (net of taxes paid and refund adjusted)	26,334.09	1,943.59
ii) Bank Guarantee	268.24	134.74
iii) Claims against group not acknowledged as debt	33,643.33	2,752.66
iv) Others	3,906.90	-
<b>Total</b>	<b>64,152.56</b>	<b>4,830.99</b>

36 During the previous period, a subsidiary of the Company has lost inventory worth Rs 521.10 lacs due to fire at its plant storage site. It has made a claim to the insurance company for a sum of Rs. 520 lacs. The claim is still under process for admission by the insurance company. Based on the current developments on the matter the company has on prudence provided the entire amount on account of no confirmation of receipt of aforesaid receipt from the insurance company.

37 Vijayawada Gundugolanu Road Project Private Limited (SPV) had received termination notice from NHAI on 26th Aug 2016 and consequently NHAI took possession of the Toll Plazas at the Project Site on 27th August 2016. As a result of the Company's efforts and dialogues with top officials of NHAI and MORTH, NHAI has agreed to revoke the termination notice vide letter dated 16th Jan, 2017 and also agreed to handover of Toll plazas subject to completing financial closure and fulfilling other commitments as specified in the letter within the stipulated time frame. Pursuant to the requirements stipulated by NHAI, the SPV had entered into a binding agreement with a Strategic investor for a committed equity participation of 49% in the Project. However the SPV could not achieve financial closure and consequently its agreement with the Strategic investor was terminated. The SPV has finally made an application to NHAI for mutual exit from the Project vide letter dated September 08, 2017 with terms including return of bank guarantee and non-levy of any charges or claims by either parties. The decision of NHAI in response to the SPV's aforesaid letter of mutual exit is pending. No effects have been given in the financial statements of the SPV pending the decision of NHAI. The Auditors of the SPV have highlighted the going concern matter in the case of the SPV as in either case the entity would not be continuing the project and would be eventually wound up. In case the mutual exit proposal is accepted then the exposure of the Group is likely to be capped at Rs.6337.07 lacs as the Bank Guarantee would be released as requested by the Company in its letter dated 8th September 2017. In case the proposal is not accepted then the entire exposure of Rs. 14,757.07 lacs of the Group in the SPV needs to be tested for impairment. Accordingly, the decision of NHAI is more likely to have adverse impact on the Statement of Profit and Loss. No effects have been given in the financial statements of the SPV pending the decision of NHAI.





- 38 The Company has defaulted in fulfilling its obligation under the one time settlement (OTS) with IFCI Limited. The Company was required to pay the entire outstanding by September 30, 2017. The Company has been unable to discharge the liability and has not been able to get further extension for the payment of the outstanding although it is actively engaged with IFCI Limited for the extension of the time period for the payment of the outstanding. In terms of the original arrangement, the benefits received under the one time settlement of Rs. 3,776.69 lacs is to be reversed. The management is hopeful of receiving the extension with non-reversal of the benefits of OTS. Pending that no adjustments have been made in these financial results. The company has however provided interest at the rate of 11.50% p.a. as per the agreement. The interest payable on the outstanding amount before reversal of the aforesaid benefit as on balance sheet date is Rs 158.13 lacs
- 39 **Going Concern Assumption**  
The Company had divested some of its subsidiaries in the previous periods for a cash surplus, which reduced the current liability and current asset mismatch. However there is a continuing mismatch of cash flows including the dues to the subsidiary which are due for repayment pursuant to negotiation by March 31, 2019. Further various projects of the Company as stated in note 40 below are under stress and the outcome of the continuance of these projects would be dependent upon a favourable decision being received by the management on the litigations outstanding.  
In view of the matters detailed in Note 40 below and as aforesaid, there are material uncertainties which cast a significant doubt on the ability of the Company to continue as a going concern.  
The auditors of the following SPVs have carried a separate paragraph on the Material Uncertainty related to Going Concern in its auditors report.  
• Indira Container Terminal Private Limited  
• Vijayawada Gundugolanu Road Projects Private Limited  
• Rajahmundry Godavari Bridge Limited  
The management however is confident that the going concern assumption and the carrying values of the assets and liabilities in these quarterly financial results are appropriate. Accordingly the financial results do not include any adjustments that may result from these uncertainties.
- 40 In respect of the following projects / SPV of the Company there are legal issues, arbitration proceedings or negotiations with the grantor for which the management is taking necessary steps to resolve the matters. These issues are commonly encountered in the Infrastructure business and the management is confident of a favourable resolution in due course. The auditors in their review report have made an emphasis of matter on these matters.
- a) One of the SPVs of the group is engaged in a bridge project at Cochin - the Greater Cochin Development Authority has sought to end the toll collection by unilaterally sealing the toll booth. The subsidiary has initiated arbitration / settlement. The Company has also in parallel filed a writ in the matter before the Hon'ble Kerala High Court for specific performance. However Government of Kerala approached the Hon'ble High Court for further extension of time and the Court granted extension to settle the matter subsequent to which Company has filed amended plaint. The said SPV pursuant to court proceedings filed a fresh writ for recovery of dues. The bankers of the said SPV have initiated action under SARFAESI Act and have taken symbolic possession of the property of the SPV. They have also initiated proceedings under DRT against which the company is taking necessary legal steps. The SPV has filed for keeping the proceedings on hold sine die till the disposal of the matter before the Hon'ble Kerala High Court. The company has in parallel applied for a One time settlement of dues to its lenders which is under consideration of their respective competent authorities for approval and implementation. Exposure of the Group in the SPV is Rs. 1,122.33 lacs (funded and non-funded).
- b) Hydro power project at Himachal Pradesh - the project is stalled due to local agitation relating to environment issues. The matter with State Government is under active negotiation to restart the project or reimburse the costs incurred. The company has invoked arbitration on 19.02.2018 but is yet to receive the nomination of arbitrators from GOHP. The company has received letter from GOHP to discuss the matter mutually towards amicable resolution. The management is hopeful of an early settlement in the matter and is confident of recovering the amount of exposure. The exposure of the Group in the SPV is Rs. 6,787.12 lacs.
- c) Container terminal at Mumbai -The project was delayed due to non-fulfilment of certain conditions by the Mumbai Port Trust. This has resulted in the SPV incurring losses and default in repayment of debt obligation. The matter with the MBPT was under active discussions for resolving the outstanding issues and the Project being re-organized with change in Cargo Mix (i.e. all Clean cargo including containers). Pursuant to detailed negotiation with MBPT on the concession agreement for the Offshore Container Terminal, the parties have agreed in principle to enter into a joint supplementary agreement between Board of Trustees of MBPT, SPV and the lenders. The draft supplementary agreement is subject to clearance from the Ministry of Shipping, Government of India. The project is proposed for re-bid and the draft agreement provides for a mix of cargo of containers, steel and RORO. The SPV has a Right Of First refusal (ROFR) to match the winning bid within a pre-defined margin. The draft agreement also provides for waiver of Outstanding Interest. The management has during the current financial year acquired further stake from the JV partner and has obtained control over the JV. It currently holds 74% of the equity of the SPV company. The RORO (Roll On Roll Off) operation which was allowed by MBPT as an alternate use of the two berths is continuing. However the same is inadequate for repayment of principal and interest of the lenders. There exists material uncertainty relating to the rebid fructifying in favour of the SPV. The auditors of the SPV have highlighted the material uncertainty regards going concern issue. In case the management is unable to match the bid and win the contract, the cash flows would be sufficient to pay its debts as well as exposure of the Holding Company. However the company will not continue in the said case and would be eventually wound up. The management is hopeful that it will successfully match the bid and win the concession and continue to operate the facility, which would be operationally viable under the revised terms. The exposure of the Group in the SPV is Rs. 69,863.47 lacs (funded and non-funded)
- d) The actual toll collections of the tolling bridge project at Rajahmundry Godavari Bridge across river Godavari are significantly lower than the forecasted revenue at the time of bid, resulting in inadequate cash flow to meet the debt / Interest servicing obligations of the Lenders. Consequently, the debt facility has been classified as a Non-Performing Asset (NPA) by the Lenders. The Company had earlier submitted a proposal under the Scheme for Sustainable Structuring of Stressed Assets (S4A) to the Lenders, which was cleared by the Lenders for approval of the Overseeing Committee (OC) set up by the Indian Banking Association (IBA), in consultation with the Reserve Bank of India (RBI). The Company provided its response to the observations of the Lenders and the OC on the S4A proposal and was awaiting the OC/lenders' approval. In the interim, RBI vide its circular dated 12th February 2018, discontinued with immediate effect all restructuring schemes for stressed assets (including S4A). As per this circular, all schemes, including S4A which have been invoked but not implemented, shall be governed by the new circular. Thus the restructuring proposal proposed by the Company is no longer being pursued by the Lenders.  
Subsequently the Company has issued a cure period notice to Andhra Pradesh Road Development Corporation (APRDC or the Client) on 26th February 2018 under clause 37.2.1 of the Concession Agreement to cure the breaches of APRDC which includes provision of Revenue shortfall loan along with other mentioned breaches. In the event that the client is unable to correct the breaches in the project, the management would need to decide on the ability to continue or terminate the agreement. Management discussion is currently underway with APRDC. The Company is hopeful that the breaches would be cured by the Client and the Company would be able to continue to operate the Project. The Management estimates the revenue from the project would meet the levels as forecasted post cure of defaults and thus would make the project viable. In addition, the management also estimates reduction of the operating & finance costs. In the event of termination, the Company is confident of recovery of compensation / Payment of outstanding dues to Lenders from the client in terms of the Concession Agreement.
- Pending disposal of the matter by APRDC, there exists material uncertainty with respect to the future of the Project and that cast significant doubt on the Company's ability to continue as a going concern. The auditors of the SPV have highlighted the material uncertainty regards going concern in their audit report.  
However, based on the on-going discussions with the client, the Company is hopeful that breaches would be cured and the Company will continue to operate the Project. The Management is also of the opinion that the Project will be viable post cure of defaults and on optimising the operating and finance costs and improved traffic / revenue due to major infrastructure development proposed by the State Government around the Project route.
- In view of above, no impairment of assets has been accounted as per Ind AS 36 in the hands of the SPV or towards the Investment by the Company in the SPV. In the event, the breaches are not cured by the client as envisaged by the management, the Company would be required to reassess the ability of the SPV to continue as a going concern. The exposure of the Group to the SPV is Rs. 1,03,437.56 lacs.



- e) In respect of an Annuity Road project : The project has obtained pre-COD on September 1, 2016. In respect of the project on annuity basis of the Company, has recorded the project in accordance with the requirement of Appendix A to Ind AS 11, titled "Service Concession Arrangement" with retrospective period in accordance with the requirements of Ind AS 101- First Time Adoption. Accordingly, the Company has recognized "Trade Receivables" being financial asset. The Company will have cost overrun on account of issue beyond the scope of the company and attributable to the Grantor. This will not result in any changes in the Annuity from the grantor. Based on certification of delay period attributable to the Grantor certified by the Independent Engineer, the Company expects a sizeable claim on this amount and has obtained legal support for the validity of its claim from an Independent Expert on claim and litigation. However this amount has been treated separately as receivable from the Grantor. The Company had also applied to the lenders for S/25 flexible Structuring Scheme. However, in view of the RBI circular dated February 12, 2018 the application became infructuous.
- During the year, the management, although having a valid claim for compensation, supported by Independent Engineer's assessment, has decided to account the finance income under the annuity model on the basis of the original plan. No finance income is accounted on such cost overrun in the annuity model on a conservative basis till the final decision of the realisability is settled pursuant to arbitration and other legal proceedings. The exposure of the Group in the SPV is Rs 1,24,971.20 lacs.

- f) The Company has incorporated a SPV for developing Rangit II Hydroelectric Power Project in Sikkim on BOOT basis. The project involves the development of a 66 MW run-of-the-river Hydroelectric Power Project on Rambi River, a tributary of River Rangit. Concession period for the project is 35 years from the date of COD. The project cost is estimated to be Rs 496 Crores. Though the project has received all major clearances and approvals including environmental clearances from MoEF and all major contracts for the project have been awarded, Power purchase agreement is yet to be signed. Over a period of time, the scenario in power sector changed substantially and in absence of financial closure, funding of the Project has been a major issue leading to frequent stoppages of work. The Proposed Hydro power Policy is eagerly awaited which will hopefully bring more opportunity in this sector. The Company is hopeful that power purchase agreement would be signed under the new policy which will also enable the financial closure to be done. Policy initiatives taken by the Government to address key concern facing the power sector will enable the sector to keep pace with the growing demand. The Management is of the view that the present situation in power business is temporary and does not foresee any need for impairment. The exposure of the Group in the project is Rs. 10,936.37 lacs.

- 41 Other Financial Assets includes Rs 1,514.01 lacs due from Western Coalfields Limited on account of wrongful encashment of bank guarantee against which the company has filed a suit for Recovery of damages. During the quarter ended September 2017, Western Coalfields Limited (WCL) had encashed Bank Guarantee amounting Rs 1,514.01 lacs given in favour of Aparna Infraenergy India Private Limited (one of the SPV's sold to BIF India Holding Pte Ltd on February 29, 2016) towards the coal linkages to be granted by WCL. Subsequent to the encashment, Company has filed an application for converting earlier injunction application to suit for recovery of damages. The company has sought a legal opinion in this matter and has been advised that it has a good case of recovery. The management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown guarantee encashment amount as receivable from Western Coal Fields and not debited the same to the statement of profit and loss for the year ended March 31, 2018.

- 42 In the opinion of the Board of Directors, all assets other than PPE and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

- 43 **Disclosure in accordance with Ind AS – 17 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.**  
The Company has taken office premises on leave and license basis which are cancellable contracts.

The future minimum committed lease rentals are given as follows :

Particulars	As on March 31, 2018 (Rs.)	As on March 31, 2017 (Rs.)
Payable not later than one year	133.20	111.00
Payable between one to five years*	-	133.20
Payable after five years	-	-
<b>Total</b>	<b>133.20</b>	<b>244.20</b>

\*For the third year that is April 2018 to March 2019, Rent will be mutually decided after completion of two years; however it shall not be below 9.25 lacs or shall not exceed 11.10 lacs.

- 44 **Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.**  
The Company's operations constitutes a single business segment namely "Infrastructure Development" as per INDAS 108. Further, the Company's operations are within single geographical segment which is India. As such, there is no separate reportable segment under Ind AS - 108 on Operating Segments.

Major customer of the Group is as follows:

- (a) Madhya Pradesh Road Development Corporation (MPRDC) from whom more than 10% of the business of the Group is carried out in the form of Tolling Contract.
- (b) National Highways Authority of India (NHAI) from whom more than 10% of the business of the Group is carried out in the form of Annuity Contract.

- 45 **Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies ( Indian Accounting Standards) Rules, 2015**  
Details are given in Annexure -1

- 46 **Disclosure related to interest in other entities**  
Details are given in Annexure -2

- 47 **Derivative Instruments and Unhedged Foreign Currency Exposure**

There are no derivative instruments outstanding as at March 31, 2018 and March 31, 2017. The Company has no foreign currency exposure towards liability outstanding as at March 31, 2018 and March 31, 2017.

- 48 **Significant accounting judgements, estimates and assumptions**

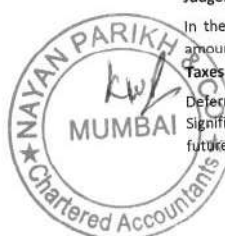
The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could 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. 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.

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#### Financial Instruments

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

Particulars	Carrying Value		Fair Value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>a) Financial assets</b>				
<b>Amortised Cost</b>				
Loans	790.22	5,444.44	790.22	5,444.44
Others	12,396.08	11,626.58	12,396.08	11,626.58
Trade receivables	1,34,029.11	1,36,227.88	1,34,029.11	1,36,227.88
Cash and cash equivalents	5,008.87	3,018.87	5,008.87	3,018.87
Bank balance other than above	39.74	12.37	39.74	12.37
Investment in equity	0.50	3,677.09	0.50	3,677.09
<b>FVTPL</b>				
Mutual Funds	4,515.86	14,738.80	4,515.86	14,738.80
<b>Total Financial Assets</b>	<b>1,56,780.38</b>	<b>1,74,746.04</b>	<b>1,56,780.38</b>	<b>1,74,746.04</b>
<b>b) Financial liabilities</b>				
<b>Amortised Cost</b>				
Borrowings	2,49,613.46	2,62,110.00	2,49,613.46	2,62,110.00
Trade payables	20,422.72	11,181.69	20,422.72	11,181.69
Others	1,83,234.10	95,923.64	1,83,234.10	95,923.64
<b>Total Financial Liabilities</b>	<b>4,53,270.28</b>	<b>3,69,215.33</b>	<b>4,53,270.28</b>	<b>3,69,215.33</b>

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.

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#### Fair Value Hierarchy

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

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2018 & March 31, 2017.

Particulars	Date of Valuation	Fair Value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets measured at fair value</b>				
Mutual funds - Growth plan	31-Mar-18	4,515.86	-	-
<b>Total financial assets</b>		<b>4,515.86</b>	-	-
<b>Financial assets measured at fair value</b>				
Mutual funds - Growth plan	31-Mar-17	14,738.80	-	-
<b>Total financial assets</b>		<b>14,738.80</b>	-	-

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#### Financial Risk Management

The Company is in the business of infrastructure development and it undertakes projects in multiple infrastructure segments. The nature of the business is complex and the Company is exposed to multiple sector specific and generic risks. PPP projects which the Company undertakes are capital intensive and have gestation periods ranging between 3 to 5 years; coupled with longer ownership periods of 15 to 35 years. Given the nature of the segments in which the company operates, be it in the Road Sector, Power Sector, Ports or Urban Development, it is critical to have a robust, effective and agile Risk Management Framework to ensure that the Company's operational objectives are met and continues to deliver sustainable business performance. Over the years, several initiatives have been taken by the Company to strengthen its risk management process. An enterprise wide comprehensive risk management policy including risk appetite, tolerance and risk limits for more effective, informed and measurable risk management has been developed and it continues to evolve.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and interest rate risk, regulatory risk and business risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is interest rate risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### Financial risk factors

##### i) Business / Market Risk

Business/ Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

One of the first and foremost business risk is the achievement of the traffic projections made at the time of the bid. This will include the introduction of alternate roads by the state or central government which impacts the traffic projected to ply on the asset under the control of the Company. The concession agreement provides some safeguards in this regard but many of them are unforeseen and exposes the Company / SPV to risk.



ii) **Capital and Interest rate Risk**

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. The Company intends to pursue a strategy of continued investment in infrastructure development projects. In the past, the Company was able to infuse equity and arrange for debt financing to develop infrastructure projects on acceptable terms at the SPV-level of relevant projects. However, the Company believes that its ability to continue to arrange for capital requirements is dependent on various factors. These factors include: timing and internal accruals generation; timing and size of the projects awarded; credit availability from banks and financial institutions; the success of its current infrastructure development projects. Besides, there are also several other factors outside its control. However, the Company's track record has enabled it to raise funds at competitive rates. The Company's average cost of debt remains at 13.78% p.a.

iii) **Interest rate sensitivity**

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	+100	(3,141.55)
	-100	3,141.55
March 31, 2017	+100	(2,961.99)
	-100	2,961.99

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.

iv) **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

a) **Trade and Other Receivables**

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 1,34,029.11 lacs as at March 31, 2018 and Rs 1,36,227.88 lacs as at March 31, 2017.

The primary customer of the group is the Government Organisation. In the absence of any bad debts from the SPV in the past the expected credit loss is zero and thus the Group is making no provisions on account any expected credit loss.

The credit risk from customers in the case of the SPV is very low as without payment of upfront toll the vehicles is not allowed to pass. However there are frequent local political issues which result in leakages which is a credit risk for the Company.

The Group has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e., port services provided by the Company. The Company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed industries mostly being public sector undertakings which are sovereign backed and other large corporates.

(v) **Liquidity risk**

The Group principal sources of liquidity are cash and bank balances and the cash flow that is generated from operations.

The Group has outstanding borrowings of Rs 249613.46 lacs as at March 31, 2018 and Rs 262110.00 lacs as at March 31, 2017.

The Group working capital is not sufficient to meet its current requirements. Accordingly, liquidity risk is perceived. The Current Liabilities of the Company exceeds current Assets by 90,874.74 lacs as at March 31, 2018. These conditions indicate the existence of an uncertainty as to timing and realization of cash flow of the company.

The achievement of the projections in the traffic and the toll rates is critical for the liquidity to pay the lenders.

Timely completion of the project has a major impact on the liquidity of the SPV. The delay caused due to the grantor and the timely receipt of compensation from the grantor impacts liquidity of the SPV and the holding company materially and is one of the major reasons for the liquidity issue of the group.

**The Working Capital Position of the Company is given below:**

Particulars	March 31, 2018	March 31, 2017
Cash and Cash Equivalent	5,008.87	3,018.87
Bank Balance	39.74	12.37
Investments in mutual Funds	4,515.86	14,738.80
<b>Total</b>	<b>9,564.47</b>	<b>17,770.04</b>

**The table below provides details regarding the contractual maturities of significant financial liabilities :**

Particulars	Amount (Rs.)
<b>As at March 31, 2018</b>	
Borrowings	2,49,613.46
Trade Payables	20,422.72
Other Financial Liabilities	1,83,234.10
Other Liabilities	48,171.07
<b>Total</b>	<b>5,01,441.35</b>
<b>As at March 31, 2017</b>	
Borrowings	2,62,110.00
Trade Payables	11,181.69
Other Financial Liabilities	95,923.64
Other Liabilities	41,705.56
<b>Total</b>	<b>4,10,920.89</b>



(vi) Competition Risk:

The Company is operating in a highly competitive environment with various Companies wanting a pie in the project. This invariably results in bidding for projects at low margins to maintain a steady flow of the projects to enable the group to retain the projects team and to maintain sustainable operations for the Company and the SPVs. The ability of the Company to build the infrastructure at a competitive price and the ability to start the tolling operations is very important factor in mitigating the competition risk for the group.

(vii) Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the group sub-contracts the construction of the facility at a fixed price contract to various subcontractor within and without the group.

(viii) Exchange risk

Since the operations of the group are within the country the group is not exposed to any exchange risk directly. The group also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal. However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

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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
Borrowings	2,49,613.46	2,62,109.99
Less:		
Cash and Cash Equivalent	(5,008.87)	(3,018.87)
Investment in mutual funds	(4,515.86)	(14,738.80)
<b>Net debt</b>	<b>2,40,088.73</b>	<b>2,44,352.32</b>
<b>Total Equity</b>	<b>52,271.94</b>	<b>70,235.36</b>
<b>Gearing ratio</b>	<b>21.77%</b>	<b>28.74%</b>

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Disclosure as required under schedule III of the Companies Act, 2013

The disclosure of breakup of net assets and profit after tax, entity wise is given in Annexure 3 attached.

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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 Nayan Parikh & Co.  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

*K N Padmanabhan*

K N Padmanabhan  
Partner  
M.No. 36410



Mumbai: Dated June 13, 2018

For and on behalf of the Board of Directors of  
Gammon Infrastructure Projects Limited

*Kishor Kumar Mohanty*

Kishor Kumar Mohanty  
Managing Director  
DIN: 00080498

*Natash Sasanwar*  
Natash Sasanwar  
Chief Financial Officer

*Homaj Daruwala*

Homaj Daruwala  
Director  
DIN: 00365880

*Kaushal Shah*  
Kaushal Shah  
Company Secretary  
M. No. ACS 18501

Annexure I (Refer note 45)

Related Party Disclosure

a) Relationships:

Entity where control exists:

- 1 Gammon Power Limited - Holding Company (Upto Sept 07,2017)
- 2 Gammon Power Limited - Entities having significant influence (w.e.f Sept 08,2017)

Fellow Subsidiary

- 1 Ansaldo Caldie Boilers India Private Limited - a subsidiary of the Ultimate Holding Company

Joint Ventures:

- 1 Blue Water Iron Ore Terminal Private Limited
- 2 Indira Container Terminal Private Limited
- 3 SEZ Adityapur Limited
- 4 GIPL - GIL JV

Associates:

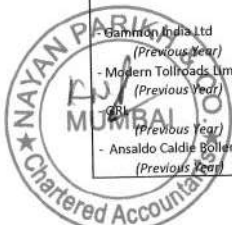
- 1 Eversun Sparkle Maritime Services Limited
- 2 ATSL Infrastructure Projects Limited
- 3 Modern Tollroads Limited

Key Management Personnel:

- 1 Kishor Kumar Mohanty - Managing Director
- 2 Naresh Chandra- Chairman (Upto 09/07/2017)
- 3 Chandras Charandas Dayal- Independent Director (Upto 29/09/2017)
- 4 Sushil Chandra Tripathi- Independent Director
- 5 Sushil Chandra Tripathi- Chairman & Non Executive Director (W.e.f 14/02/2018)
- 6 Homai A Daruwalla- Independent Director
- 7 Abhijit Rajan - Non Executive Director
- 8 Sanjay Sachdev - Independent Director (W.e.f. 09/11/2017)
- 9 Vardhan Dharkar - Non Executive Director (W.e.f. 20/11/2017)

b) Details of related parties transactions for the period ended on March 31, 2018

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Subsidiary of Ultimate holding company	Key Management Personnel	Total
<b>Operations &amp; Maintenance Expense</b>		2,590.38	-	-	-	-	2,590.38
- Gammon India Ltd (Previous Year)		2,590.38	-	-	-	-	2,590.38
<b>EPC Expenses</b>		3,870.27	-	-	-	-	3,870.27
- Gammon India Ltd (Previous Year)		3,870.27	-	-	-	-	3,870.27
<b>Advance recovered against EPC contracts from</b>		76.73	-	-	-	-	76.73
- Gammon India Ltd (Previous Year)		160.59	-	-	-	-	160.59
- Gammon India Ltd (Previous Year)		76.73	-	-	-	-	76.73
- Gammon India Ltd (Previous Year)		160.59	-	-	-	-	160.59
<b>Managerial Remuneration</b>		-	-	-	-	264.28	-
- Mr. K. K. Mohanty (Previous Year)		-	-	-	-	261.43	374.76
- Mr. K. K. Mohanty (Previous Year)		-	-	-	-	264.28	374.76
- Mr. K. K. Mohanty (Previous Year)		-	-	-	-	261.43	374.76
- Mr. K. K. Mohanty (Previous Year)		-	-	-	-	261.43	374.76
Transactions		Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Subsidiary of Ultimate holding company	Key Management Personnel	Total
<b>Director Sitting fees and Commission</b>		-	-	-	-	20.50	20.00
- C.C Dayal (Previous Year)		-	-	-	-	29.50	29.50
- Homai A Daruwala (Previous Year)		-	-	-	-	3.50	3.50
- Sushil Chandra Tripathi (Previous Year)		-	-	-	-	6.50	6.50
- Naresh Chandra (Previous Year)		-	-	-	-	6.50	6.50
- Abhijit Rajan (Previous Year)		-	-	-	-	7.50	7.50
- Vardhan Vasant Dharkar (Previous Year)		-	-	-	-	4.00	4.00
- Sanjay Sachdeva (Previous Year)		-	-	-	-	7.50	7.50
- Sanjay Sachdeva (Previous Year)		-	-	-	-	1.50	1.50
- Sanjay Sachdeva (Previous Year)		-	-	-	-	6.00	6.00
- Sanjay Sachdeva (Previous Year)		-	-	-	-	3.00	3.00
- Sanjay Sachdeva (Previous Year)		-	-	-	-	2.00	2.00
- Sanjay Sachdeva (Previous Year)		-	-	-	-	0.50	0.50
- Sanjay Sachdeva (Previous Year)		-	-	-	-	-	-
- Sanjay Sachdeva (Previous Year)		-	-	-	-	1.50	1.50
- Sanjay Sachdeva (Previous Year)		-	-	-	-	-	-
<b>Outstanding Balances Receivable :</b>	422.32	-	129.95	24.58	-	-	154.53
- Gammon India Ltd (Previous Year)	422.32	1,291.06	129.95	15.83	-	-	1,436.84
- Gammon India Ltd (Previous Year)	422.32	1,291.06	-	-	-	-	1,291.06
- Modern Tollroads Limited (Previous Year)	-	-	129.95	-	-	-	129.95
- GIPL-GIL JV (Previous Year)	-	-	129.95	-	-	-	129.95
- GIPL-GIL JV (Previous Year)	-	-	-	24.58	-	-	24.58
- GIPL-GIL JV (Previous Year)	-	-	-	15.83	-	-	15.83
<b>Outstanding Balances Payable:</b>	109.36	-	265.20	-	-	-	265.20
- Gammon India Ltd (Previous Year)	109.36	1,263.77	265.20	1,600.00	1,500.00	-	4,628.97
- Gammon India Ltd (Previous Year)	109.36	1,263.77	-	-	-	-	1,263.77
- Modern Tollroads Limited (Previous Year)	-	-	265.20	-	-	-	265.20
- GIPL-GIL JV (Previous Year)	-	-	265.20	-	-	-	265.20
- Ansaldo Caldie Boilers India Private Limited (Previous Year)	-	-	-	1,600.00	-	-	1,600.00
- Ansaldo Caldie Boilers India Private Limited (Previous Year)	-	-	-	-	1,500.00	-	1,500.00



Annexure - II

A) The following table summarises the information relating to major subsidiaries of the group.

Particulars	RGL		VSPL		ICTPL*
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018
Non-current assets	1,06,031.20	1,08,377.16	21,904.32	23,505.14	71,758.11
Current assets	1,923.69	1,698.86	14,584.47	14,189.89	3,213.32
Non-current liabilities	(84,314.77)	(84,943.49)	(20,740.17)	(23,057.48)	(15.55)
Current liabilities	(14,446.09)	(8,031.05)	(5,728.93)	(5,462.98)	(78,068.12)
Capital Contributions	(5,438.28)	-	-	-	(3,722.47)
<b>Net assets</b>	<b>3,755.76</b>	<b>17,101.48</b>	<b>10,019.69</b>	<b>9,174.54</b>	<b>(6,834.71)</b>
<b>Net assets attributable to NCI</b>	<b>592.18</b>	<b>2,546.95</b>	<b>2,628.75</b>	<b>2,407.24</b>	<b>(1,777.09)</b>
Contingent Liabilities	-	-	5,886.92	3,630.74	5,657.88
Revenue	5,788.96	5,069.59	16,250.86	13,736.72	4,451.03
Profit for the year	(7,907.63)	(6,470.22)	844.21	445.72	(8,649.38)
<b>Profit/(Loss) allocated to NCI</b>	<b>(1,954.77)</b>	<b>(1,848.36)</b>	<b>221.51</b>	<b>116.97</b>	<b>(2,248.84)</b>
Other comprehensive income	0.18	(0.12)	0.90	(2.77)	0.24
OCI allocated to NCI	0.04	-	0.23	-	0.06
Cash flow from operating activities	5,107.08	4,684.39	4,435.38	5,130.87	4,337.54
Cash flow from investing activities	(21.03)	(162.70)	1,017.89	1,138.94	18.87
Cash flow from financing activities	(4,952.61)	(4,065.99)	(5,404.40)	(6,394.81)	(3,562.31)
Net increase/(decrease) in cash and cash equivalents	133.44	455.71	48.88	125.00	794.11

B) Table below provide summarised financial information for major Joint venture

Particulars	ICTPL *
	March 31, 2017
<b>Non-current assets</b>	<b>75,372.69</b>
<b>Current assets</b>	
Cash and Cash equivalents	1,618.29
- Other assets	624.81
<b>Current assets</b>	<b>2,243.10</b>
<b>Non-current liabilities</b>	
- Financial liabilities (excluding trade payables, other payables and provisions)	
- Other liabilities	(14.43)
<b>Non-current liabilities</b>	<b>(14.43)</b>
<b>Current liabilities</b>	
- Financial liabilities (excluding trade payables, other payables and provisions)	(68,454.44)
- Other liabilities	(3,610.03)
<b>Current liabilities</b>	<b>(72,064.47)</b>
<b>Net assets</b>	<b>5,536.90</b>
<b>Group share of net assets</b>	<b>3,564.38</b>
Revenue	4,068.64
Interest Income	7.36
Depreciation and amortisation	2,764.84
Finance cost	5,596.52
<b>Profit/ (Loss) for the year before tax</b>	<b>(5,140.19)</b>
Income tax expenses	
<b>Profit/ (Loss) for the year</b>	<b>(5,140.19)</b>
Other comprehensive income	0.51
<b>Total comprehensive income</b>	<b>0.51</b>
Group share of profit/ (Loss)	(2,569.84)
Group share of OCI	-
<b>Group share of total comprehensive income</b>	<b>(2,569.84)</b>

Note - A) The amounts disclosed for each subsidiary are before intra-group eliminations.

B) \*ICTPL is taken as subsidiary during the year, in the previous year same was considered as joint venture.



## Annexure III

Disclosure as required under schedule III of the Companies Act, 2013 ( Refer note no 53)

Sr.No.	Particulars	As at March 31, 2018				As at March 31, 2017			
		Net Assets		Share in profit or loss		Net Assets		Share in profit or loss	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
	<b>Holding Co.</b>								
1	GIPL	154.69%	78,646.89	92.10%	-13,416.10	119.54%	78,047.36	128.27%	-13,347.95
	<b>Subsidiaries</b>								
1	BBHPL	0.02%	9.26	0.02%	-3.34	-1.67%	-1,089.23	0.01%	-0.55
2	CBICL	-0.79%	-400.48	1.04%	-150.88	-0.39%	-251.59	2.48%	-258.15
3	CICPL	0.01%	3.84	0.01%	-1.27	-0.01%	-4.52	0.00%	0.05
4	EIPPL	-0.42%	-215.43	0.00%	-0.15	-0.09%	-58.23	0.00%	-0.18
5	GIL	-0.25%	-129.19	0.00%	-0.23	-0.85%	-557.85	-0.50%	51.86
6	GPDL	0.02%	8.51	0.13%	-18.88	-0.05%	-33.74	0.01%	-0.78
7	GREIL	-0.23%	-116.52	0.01%	-1.44	-0.13%	-88.10	0.00%	-0.19
8	GRIL	-0.03%	-17.56	0.00%	-0.13	-0.41%	-267.68	0.00%	-0.19
9	GSIL	0.00%	1.36	0.00%	-0.13	0.00%	-2.51	0.00%	-0.21
10	GREPL	0.00%	-0.43	0.00%	-0.22	-0.01%	-9.23	0.00%	-0.21
11	HBPL	-0.01%	-6.89	0.00%	-0.23	-0.42%	-275.14	0.00%	-0.20
12	JPDIL	0.01%	3.56	0.00%	-0.21	0.00%	-1.50	0.00%	-0.19
13	LIDL	0.00%	0.00	0.01%	-1.67	-0.01%	-3.33	0.00%	-0.20
14	MPSL	0.02%	11.76	0.01%	-1.70	0.02%	13.46	0.00%	-0.20
15	PHPL	7.35%	3,735.83	-14.21%	2,070.17	3.40%	2,217.92	-8.34%	868.08
16	PREL	-30.10%	-15,304.71	17.74%	-2,583.59	-14.47%	-9,447.27	40.85%	-4,250.44
17	RCTPL	-0.13%	-68.23	0.08%	-12.25	-0.16%	-103.14	0.15%	-15.46
18	RGBL	-23.71%	-12,055.93	38.64%	-5,629.22	-9.55%	-6,237.51	44.42%	-4,621.97
19	SREPL	0.05%	25.90	-0.15%	21.23	-0.04%	-24.36	0.00%	-0.07
20	SHPVL	-2.17%	-1,103.82	6.87%	-1,000.59	-0.09%	-60.78	0.01%	-0.90
21	SIPPL	-0.01%	-6.91	0.01%	-1.17	-0.02%	-10.97	0.01%	-0.76
22	SSRPL	27.00%	13,729.86	-92.70%	13,503.44	21.54%	14,065.25	-132.37%	13,774.74
23	TIDCL	0.00%	-0.07	0.00%	-0.14	-0.03%	-18.65	0.00%	-0.19
24	TREPL	0.00%	0.13	0.00%	0.40	0.00%	-1.40	0.00%	-0.21
25	THPL	0.26%	131.95	0.00%	-0.64	-0.01%	-5.25	-0.08%	8.45
26	VGRPPL	-10.72%	-5,451.15	1.84%	-267.91	-4.37%	-2,855.40	-9.46%	984.07
27	VSPL	2.44%	1,240.27	4.48%	-652.66	0.81%	525.67	9.86%	-1,026.15
28	YMMPL	0.01%	6.00	0.00%	-0.10	-0.01%	-9.15	0.00%	0.08
29	YPHPL	0.05%	23.25	0.00%	-0.10	-4.29%	-2,798.87	0.01%	-1.02
30	YPVL	-0.84%	-425.38	0.08%	-11.25	-0.49%	-322.07	0.11%	-11.43
	<b>Joint Venture</b>								
1	ICTPL	-22.49%	-11,432.57	43.98%	-6,406.55	-7.69%	-5,022.52	24.64%	-2,564.12
2	GIPL-GIL JV	0.00%	0.00	0.00%	0.00	-0.03%	-17.34	-0.08%	8.66
3	BWIOTPL	0.00%	0.00	0.00%	0.00				
	<b>Associates</b>								
1	ESMSPL	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
2	SEZAL	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
		<b>100.00%</b>	<b>50,843.09</b>	<b>100.00%</b>	<b>-14,567.53</b>	<b>100.00%</b>	<b>65,292.33</b>	<b>100.00%</b>	<b>-10,405.95</b>





Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014  
Statement Containing salient features of the financial statements of subsidiaries/associate companies/joint ventures as included in the Consolidated Financial Statements

Part "A": Subsidiaries														(Rs. In lacs)
S no.	Name of the Subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Tax	Provision for Tax	Profit / (Loss) after Tax	Proposed Dividend & tax thereon	% of shareholding
1	Birmitrapur Barkore Highway Private Limited	INR	N.A.	1.00	-1,092.57	1.39	1,092.96		0.48	-3.34	-	-3.34	-	100.00%
2	Cochin Bridge Infrastructure Company Limited	INR	N.A.	640.01	619.76	2,674.79	1,415.02		0.81	-152.15	-	-152.15	-	97.66%
3	Chittoor Infra Company Private Limited	INR	N.A.	1.00	-6.04	5.50	10.54		1.24	-0.03	-	-0.03	-	100.00%
4	Earthlink Infrastructure Projects Private Limited	INR	N.A.	1.00	-24.97	5.18	29.16		12.42	-151.23	-	-151.23	-	100.00%
5	Gannon Logistics Limited	INR	N.A.	255.00	-438.09	4.76	187.85		-	-0.23	-	-0.23	-	100.00%
6	Gannon Projects Developers Limited	INR	N.A.	25.00	-79.50	28.20	82.69		2.40	-37.70	-	-37.70	-	100.00%
7	Gannon Renewable Energy Infrastructure Projects Limited	INR	N.A.	5.00	17.34	539.74	517.41		0.20	-34.73	-	-34.73	-	100.00%
8	Gannon Road Infrastructure Limited	INR	N.A.	5.00	-70.47	67.90	133.36	0.50	0.01	-0.44	-	-0.44	-	100.00%
9	Gannon Seaport Infrastructure Limited	INR	N.A.	5.00	-2.64	77.82	75.46		-	-0.13	-	-0.13	-	100.00%
10	Ghaggar Renewable Energy Private Limited	INR	N.A.	9.45	-9.45	-	-		-	-0.22	-	-0.22	-	100.00%
11	Haryana Biomass Power Limited	INR	N.A.	128.35	-134.38	1.20	7.23		-	-0.23	-	-0.23	-	100.00%
12	Jaguar Projects Developers Limited	INR	N.A.	5.00	-1.71	3.73	0.44		-	-0.21	-	-0.21	-	100.00%
13	Lilac Infra projects Developers Limited	INR	N.A.	5.00	-5.00	-	-		-	-1.67	-	-1.67	-	100.00%
14	Marine Project Services Limited	INR	N.A.	5.00	13.40	20.56	2.16		1.64	-0.07	-	-0.07	-	100.00%
15	Penna Highway Projects Limited	INR	N.A.	5,000.00	18,520.16	1,32,373.67	1,08,853.51		16,357.21	-15.10	-	-15.10	-	100.00%
16	Pravara Renewable Energy Limited	INR	N.A.	4,792.00	-10,228.41	29,735.65	35,172.06		5,838.11	-2,165.12	656.89	-2,822.01	-	100.00%
17	Ras Cities and Townships Private Limited	INR	N.A.	1.00	-43.49	1,629.79	1,672.28		40.42	20.74	7.00	13.74	-	100.00%
18	Rajahmundry Godavari Bridge Limited	INR	N.A.	20,395.89	-11,201.85	1,07,954.89	98,760.86		6,179.36	-7,907.63	-	-7,907.63	-	75.28%
19	Satluj Renewable Energy Private Limited	INR	N.A.	21.25	-21.34	20.32	20.41		-	-0.11	-	-0.11	-	100.00%
20	Sikkim Hydro Power Ventures Limited	INR	N.A.	6,273.59	2,145.89	10,957.60	2,538.12		-	-1,000.59	-	-1,000.59	-	100.00%
21	Segue Infrastructure Projects Private Limited	INR	N.A.	1.00	-11.89	0.97	11.86		-	-2.41	-	-2.41	-	100.00%
22	Sidhi Singrauli Road Project Limited	INR	N.A.	17,041.00	7,246.17	1,08,645.24	84,358.08		14,293.51	-27.83	-	-27.83	-	100.00%
23	Tada Infra Development Company Limited	INR	N.A.	5.00	-18.78	0.19	13.97		-	-0.14	-	-0.14	-	100.00%
24	Tangri Renewable Energy Private Limited	INR	N.A.	1.00	-1.00	-	-		0.63	0.40	-	0.40	-	100.00%
25	Tidong Hydro Power Limited	INR	N.A.	5.00	17.60	206.95	184.35		-	-1.26	-	-1.26	-	51.00%
26	Vijaywada Gundugolanu Road Project Private Limited	INR	N.A.	1.00	1,966.72	75,049.21	73,081.49		112.89	-262.06	5.86	-267.91	-	100.00%
27	Vizag Seaport Private Limited	INR	N.A.	8,719.13	1,300.52	36,488.78	26,469.13		17,636.28	1,483.97	639.76	844.22	-	73.76%
28	Yamuna Minor Minerals Private Limited	INR	N.A.	9.25	-9.25	-	-		-	-0.10	-0.00	-0.10	-	100.00%
29	Yamunanagar Panchkula Highway Private Limited	INR	N.A.	1,905.00	-2,798.97	23.13	917.10		0.08	-0.10	-	-0.10	-	100.00%
30	Indira Container Terminal Private Limited	INR	N.A.	10,156.60	-13,268.85	74,971.44	78,083.69		4,458.78	-8,618.83	30.57	-8,649.39	-	74.00%
31	Youngghang Power Ventures Limited	INR	N.A.	1,445.00	5,402.29	6,900.07	52.78		-	-11.27	-	-11.27	-	100.00%
Total				76,863.52	-2,218.80	5,88,388.67	5,13,743.95	0.50	64,936.45	-18,889.81	1,340.07	-20,229.88	-	-

## Names of subsidiaries which are yet to commence operations:

Sikkim Hydro Power Ventures Limited  
Sidhi Singrauli Road Project Limited  
Tidong Hydro Power Limited  
Youngchang Power Ventures Limited

## Names of subsidiaries which have been liquidated / closed or sold during the year:

Satluj Renewable Energy Private Limited  
Ghaggar Renewable Energy Private Limited  
Yamuna Minor Minerals Private Limited

Part "B" Details of Associates / Joint Ventures


(Rs. In lacs)

Sno.	Name of the Joint Venture / Associate	Latest Audited Balance Sheet Date	No. of Equity Shares held	Cost of Investments	% of Holding	Networth attributable to shareholding as per latest audited Balance Sheet	Profit/ (Loss) for the year Considered in Consolidated	Not considered in Consolidated
<b>Joint Ventures:</b>								
1	Blue Water Iron Ore Terminal Private Limited @ (BWIO/TPL)	30-Sep-14	30,51,808	305.18	10.12%		-	-
2	GIPL - GIL JV	31-Mar-18	-	-	95.00%	-17.35	0.09	0.00
3	SEZ Adityapur Limited \$ (SEZAL)	30-Sep-14	19,000	1.90	38.00%			-
<b>Associates:</b>								
1	ATSL Infrastructure Projects Limited (ATL) ^	30-Sep-14	24,450	2.45	49.00%	1.66	-	-
2	Eversun Sparkle Maritime Services Private Limited	31-Mar-16	21,43,950	214.40	30.90%	164.47	39.19	87.64
3	Modern Tollroads Private Limited (MTRL) ^	30-Sep-14	24,470	2.45	49.00%	1.50	-	-
<b>Total</b>				<b>526.37</b>		<b>150.38</b>	<b>39.28</b>	<b>87.64</b>
<b>Description of how there is significant influence</b> Through the Company's shareholding and joint venture agreements entered into by the Company ^The accounts of ATL and MTRL for the year ended March 31, 2018 have not been received and therefore no effects have been taken in these financial statements in respect of these companies. However, these associates are not carrying out any operations and therefore their impact is not expected to be significant. \$ In the absence of financial statements of SEZAL, no effects are taken in these financial statements for the current period. The balances as at September 30, 2014 are incorporated. However, this joint venture is not carrying out any operations and therefore the impact is not expected to be significant. @ In the absence of financial statements of BWIO/TPL, no effects are taken in these financial statements for the current period. The balances as at September 30, 2014 are incorporated. However, this joint venture is not carrying out any operations and therefore the impact is not expected to be significant. The Company had entered into joint venture to acquire 3% of BWIO/TPL. However, GIPL had contributed only 10.12% in the equity capital of BWIO/TPL. BWIO/TPL has since initiated the process of liquidation and management believes that the Company will not have any obligation to contribute further in the equity capital of BWIO/TPL.								

For and on behalf of the Board of Directors of  
Gammon Infrastructure Projects Limited

  
Kishor Kumar Mohanty  
Managing Director  
DIN: 00080498

  
Naresh Sasankar  
Chief Financial Officer

  
Kaushal Shah  
Company Secretary  
Membership no.: ACS 18501

Place: Mumbai  
Date: June 13, 2018