S. K. MOTANI & CO.
ACCOUNTREMENTS
Since 1965

S. K. MOTANI & CO.
Chartered Accountants

• Y. S. Motani B.Com., H.S.M., F.C.A.
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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF
GAMMON & BILLIMORIA LIMITED.

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

1. We have audited the accompanying financial statements of **GAMMON & BILLIMORIA LIMITED** (the company), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. Also, we have audited Internal Financial Controls over Financial Reporting as at March 31, 2018.

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

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

   This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

4. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

5. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

6. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

7. An audit involves performing procedures to obtain audit evidence about the amounts, the disclosures in the financial statements and adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risks that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

11. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date subject to following remarks:

12. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

1) *On account of sticky advances, interest on advance given is not provided in books of accounts. Interest provision not made is of Rs.9,61,59,580/-*
2) *Interest is not provided on Loans outstanding in the name of Bebanco Developers Limited and Gammon India Limited in view of financial loss. Company appreciates and acknowledges the right of Bebanco Developers Limited for the interest of Rs.4,38,71,553/- and Gammon India Limited for interest of Rs. 4,90,48,880/- not provided in the books as and when the financial position of the company improves.*

Consequent effect of two qualifications is as under:

1) *On account of non-provision of interest,*
   profit would go up by Rs.9,61,59,580/-
2) *On account of non-provision of interest*
   on amount advanced, Profit would go down by Rs.9,29,20,433/-

Net effect PROFIT WOULD GO UP BY Rs.32,39,146/-

13. In our opinion considering nature of business, size of operation and organisational structure of the entity, the Company has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018.

Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3and 4 of the Order.

15. As required by section 143(3) of the Act, we report that:

    A) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    B) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

    C) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

    D) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

E) On the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors except Mr. Dinesh Patel and Mr. Babu Patel are disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.

F) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

G) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company does not have any pending litigations which would impact its financial position.

II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

IV. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the Company.

For S. K. Motani & Co.
Chartered Accountants

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

Mumbai 27 AUG 2018

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **GAMMON & BILLIMORIA LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over 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"['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 over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. K. Motani & Co.
Chartered Accountants

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

Mumbai 27 AUG 2018

Annexure –B to the auditor's Report

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

Annexure referred to in the Auditors Report for the year ended 31st March 2018 of **GAMMON & BILLIMORIA LIMITED,** as required by the Companies (Auditors Report) Order, 2016 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate, we report that:

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

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

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

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

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

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

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

(v) As per the information and explanation given to us, and based on the records verified by us, the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provision of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules made there under are not applicable.

(vi) According to the information and explanation given to us, the company is not required to maintain cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act 2013.

(vii) a) According to the information and explanation given to us and on the basis of our examination of books of accounts the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess any other statutory dues with the appropriate authorities.

b) According to the information and explanation given to us and on the basis of our examination of books of accounts, there are no cases of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and cess as at 31st March, 2018 for a period of more than six months from the date they become payable.

According to the information and explanation given to us, there are no disputed statutory dues outstanding so reporting on dues not been deposited by the Company on account of disputes is not applicable.

(viii) According to the information and explanation given to us and on the basis of our examination of books of accounts the company has not taken any loan from either financial institution or Bank or has issued any Debenture. So, question of default does not arise.

(ix) According to the information and explanations given to us and on an overall examination of the records of the company, Company has not raised any funds through public issue/ follow–on offer (including debt instruments) and term loans so reporting on end use of funds so raised is not applicable.

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

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

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

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

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

(xv) According to the information and explanation given to us and on the basis of our examination of books of accounts the company has not entered in to any non-cash transactions with directors or persons connected with him. Hence applicability of provisions of Section 192 of Companies Act, 2013 does not arise.

(xvi) According to the information and explanation given to us and on the basis of our examination of books of accounts the company is not require to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For S. K. Motani & Co.
Chartered Accountants

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

Mumbai 27 AUG 2018

Gammon & Billimoria Limited
CIN: U42200MH2002PLC138442

Audited Statement of Assets and Liabilities as at March 31, 2018

Particulars	Note	As at 31st March 2018	As at 31st March 2017
ASSETS			
NON-CURRENT ASSETS			
(a) Financial Assets			
(i) Investments	2	60,64,886	60,64,886
(ii) Loans	3	1,04,22,21,165	1,04,38,21,173
(b) Other current assets	5	93,746	1,85,311
TOTAL NON-CURRENT ASSETS		1,04,83,79,797	1,05,00,71,370
CURRENT ASSETS			
(a) Financial Assets			
(i) Cash and cash equivalents	4	84,843	84,38,353
(ii) Loans	3	-	-
(b) Other current assets	5	-	40,000
TOTAL CURRENT ASSETS		84,843	84,78,353
TOTAL ASSETS		1,04,84,64,640	1,05,85,49,723
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	6	10,00,000	10,00,000
(b) Other Equity	7	(3,06,70,287)	(3,03,88,204)
TOTAL EQUITY		(2,96,70,287)	(2,93,88,204)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liability			
(i) Borrowings	8	1,02,87,75,204	1,03,85,75,204
(b) Other non-current liabilities	10	-	-
TOTAL NON-CURRENT LIABILITIES		1,02,87,75,204	1,03,85,75,204
CURRENT LIABILITIES			
(a) Financial Liability			
(i) Borrowings	8	-	-
(ii) Others	9	4,93,59,723	4,93,62,723
(b) Other current liabilities	10	-	-
TOTAL CURRENT LIABILITIES		4,93,59,723	4,93,62,723
TOTAL EQUITY and LIABILITIES		1,04,84,64,640	1,05,85,49,723

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

As per our report of even date.

1

For S. K. Motani & Co
Chartered Accountants
Firm Regn. No.: 106582W

Yogesh Motani
Partner
Membership No. 47668

Place : Mumbai
Dated : 27 AUG 2018

For and on Behalf of Board of Directors

Digant L. Kapadia
Director
DIN 00021310

Rajul Bhansali
Director
DIN: 00178558

Place : Mumbai
Dated :
27 AUG 2018

Gammon & Billimoria Limited
CIN: U42200MH2002PLC138442

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2018

	Particulars	Note	April 2017 - March 2018	April 2016 - March 2017
I	Revenue from Operations		-	-
II	Other Income	11	-	-
III	Total Income (I + II)		-	-
IV	Expenses:			
	Finance Cost	12	-	4,93,39,722
	Other Expenses	13	1,04,807	2,24,572
	Total Expenses		1,04,807	4,95,64,294
V	Profit/(Loss) before exceptional items and tax		(1,04,807)	(4,95,64,294)
VI	Exceptional items Income / (Expense)		-	-
VII	Profit / (Loss) before tax		(1,04,807)	(4,95,64,294)
VIII	Tax Expenses			
	Current Income Tax		-	-
	Tax of earliar years		1,77,276	2,21,196
	Total tax expenses		1,77,276	2,21,196
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		(2,82,083)	(4,97,85,490)
X	Other Comprehensive Income			
	Items that will not be reclassified to profit & loss account		-	-
XI	Total Comprehensive income/(Loss) for the period (IX+X)		(2,82,083)	(4,97,85,490)
XII	Earning Per Equity Share (for Continuing Operation)	14		
	Basic		(2.82)	(497.85)
	Diluted		(2.82)	(497.85)

As per our report of even date.

For S. K. Motani & Co
Chartered Accountants
Firm Regn. No.: 106582W

Yogesh Motani
Partner
Membership No. 47668

Place : Mumbai
Dated : 27 AUG 2018

For and on Behalf of Board of Directors

Digant L. Kapadia
Director
DIN 00021310

Rajul Bhansali
Director
DIN: 00178558

Place : Mumbai
Dated : 27 AUG 2018

Gammon & Billimoria Limited
CIN: U42200MH2002PLC138442

CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2018

	Particulars	April 2017 - March 2018	April 2016 - March 2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax and Extraordinary Items	(1,04,807)	(4,95,64,294)
	Interest paid	-	4,93,39,722
	Interest received	-	-
	Add: Finance cost amortised on EIR	-	-
	Operating Profit Before Working Capital Changes	(1,04,807)	(2,24,572)
	Changes in working capital:		
	Retained earnings		
	Other financials assets	-	-
	Other current Assets	91,565	14,755
	Other Financial Liability	40,000	13,27,000
	Other current liabilities	(3,000)	(11,136)
	CASH GENERATED FROM THE OPERATIONS	-	(35,88,718)
	Direct Taxes Paid	23,758	(24,82,671)
	Net Cash from Operating Activities	(1,77,276)	(2,21,196)
		(1,53,518)	(27,03,867)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Investments		
	Advance Given	-	-
	Interest Received	16,00,008	1,10,00,000
	Net Cash from Investing Activities	-	-
		16,00,008	1,10,00,000
C	CASH FLOW FROM FINANCING ACTIVITIES		-
	Proceeds from Borrowing	(98,00,000)	-
	Interest Paid	-	-
		-	-
	Net Cash from Financing Activities		-
		(98,00,000)	-
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(83,53,510)	82,96,133
	Balance as at the beginning of the period	84,38,353	1,42,219
	Balance as at the end of the period	84,843	84,38,353
	NET INCREASE IN CASH AND CASH EQUIVALENTS	(83,53,510)	82,96,134
	Note: Figure in brackets denote outflows		

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

For S. K. Motani & Co
Chartered Accountants
Firm Regn. No.: 106382W

Yogesh Motani
Partner
Membership No. 47668

Place : Mumbai
Dated : 27 APR 2018

For and on Behalf of Board of Directors

Digant L. Kapadia
Director
DIN 00021310

Rajul Bhansali
Director
DIN: 00178558

Place : Mumbai
Dated :
27 APR 2018

BILLIMORIA LIMITED MUMBAI

1 NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018

I Basis of Accounting

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the Holding Company is required to apply Ind AS the financial statements of the Company have been prepared in accordance with the Ind AS.

For the year ended 31st March, 2018, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP).

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

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

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

These accounts have been prepared as per Ind AS for the purpose of the facilitation of consolidation of this company into the financial of the parent Gammon India Limited. Therefore these are not general purpose financial statements.

ii) Cash and cash equivalents

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

iii) Foreign currency transactions

(a) Initial Recognition:

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

(b) Conversion:

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

(c) Exchange Difference:

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

iv) Borrowing Cost

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

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

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

v) Taxes on income

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

vi) Provisions, Contingent Liabilities and Contingent Assets

Provisions

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

BILLIMORIA LTD. MUMBAI

I NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018

Contingent liabilities and Contingent Assets

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

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

Onerous contracts

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

vii) Earning Per Share

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

viii) Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

ix) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

1 NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018

X) Financial instruments

a. Financial assets:

(i) Initial recognition and measurement

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

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

(ii) Subsequent measurement

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

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

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

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

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

• Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

• Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

(iii) Derecognition

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

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

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

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

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

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

(iv) Investment in associates, joint venture and subsidiaries

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

BILLIMORIA ... MUMBAI

1 NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018

(v) **Impairment of financial assets**

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

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

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

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

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

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

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

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

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

b. Financial liabilities:

(i) **Initial recognition and measurement**

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

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

(ii) **Subsequent measurement**

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

(iii) **Financial liabilities at fair value through profit or loss**

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

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

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

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

(iv) **Loans and borrowings**

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

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

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

BILLIMORIA LIMITED

(v) Financial guarantee contracts

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

(vi) Derecognition

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

c. Offsetting of financial instruments:

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

d. Derivative financial instruments:

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

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

e. Trade Payables

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

f. Trade Receivable

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

PILLIMORIA LIMITED MUMBAI

1 Related Party Disclosures

A. List of Related Parties and Relationship

a) **Holding Company**
Gammon India Limited

b) **Key Management Personnel**
Mr Abhijit J. Rajan
Mr. Rajul J Bhansali
Mr. Digant L. Kapadia
Mr Chandrahas C. Dayal

c) **Associates**
B.E. Billimoria & Co. Ltd
G & B Contracting LLC
Bebanco Devlopers Limited

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

B. **Transactions with Related Parties**

Particulars	Holding Company, Subsidiaries and Joint Venture Companies			
		Current Period ended 01.04.2017 to 31.03.2018 Rs.		Previous Period ended 01.04.2016 to 31.03.2017 Rs.
Advances Given				
Bebanco Developers Limited	-		-	
G and B Contracting LLC	-	-	-	-
Repayment				
G and B Contracting LLC	16,00,000	16,00,000		1,10,00,000
Loans Taken				
Bebanco Developers Limited	-		-	
Gammon India Limited	-	-	-	-
Repayment of Loan Taken				
Bebanco Developers Limited	48,02,000		-	
Gammon India Limited	49,98,000	98,00,000	-	-
Interest income				
G and B Contracting LLC		-		13,84,63,333
Interest Expense				
Bebanco Developers Limited	-		-	
Gammon India Limited	-	-	4,93,39,722	4,93,39,722
Closing Balances :				
Investments				
G and B Contracting LLC		60,64,886		60,64,886
Loans and Advances - given				
Bebanco Developers Limited	-		-	
G and B Contracting LLC	1,04,22,21,165	1,04,22,21,165	1,04,38,21,165	1,04,38,21,165
Loans and Advances - taken				
Bebanco Developers Limited	52,15,16,396		52,63,18,396	
Bebanco Developers Limited	(3,59,62,335)		(3,59,62,335)	
Gammon India Limited	54,32,21,143	1,02,87,75,204	54,82,19,143	1,03,85,75,204

Gammon & Billimoria Limited
CIN: U42200MH2002PLC138442

G&B Contracting LLC	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted **	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuatio
		As at March 31, 2018	As at March 31, 2017			As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017		
(1)	(2)	(3)	(4)	(6)	(7)	(8)	(8)	(11)	(11)	(11)	(12)
Trade Investment											
Investment in Equity Instruments	Fellow-Subsidiary	4,90,000	4,90,000	Unquoted	Fully Paid	49	49	60,64,886	60,64,886	Yes	NA
Grand Total								60,64,886	60,64,886		
Less: Provision for diminution in value of investments								-	-		
Total								60,64,886	60,64,886		

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

Particulars	31-Mar-18	31-Mar-17
NCA - Financial Assets - Investments - Trade Investments - Equity Instruments - (Foreign) G & B Contracting LLC 490 share of AED 1,000/- share	60,64,886	60,64,886
Total	60,64,886	60,64,886

3 Financial assets: Loans

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current	Non Current	Current
Loans and advances to related parties				
Considered Good	1,04,22,21,165	-	1,04,38,21,173	-
Considered Doubtful	-	-	-	-
Less : Provision for Doubtful Loans	-	-	-	-
Total	1,04,22,21,165	-	1,04,38,21,173	-

Details of Loans given to Related Parties

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current	Non Current	Current
Considered Good:				
(i) G & B Contracting LLC : associates	1,04,22,21,165	-	1,04,38,21,173	-
Total	1,04,22,21,165	-	1,04,38,21,173	-

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

4 Current financial assets - Cash and Bank Balance

Particulars	31-Mar-18	31-Mar-17
Cash and Cash Equivalents		
Cash on Hand	14,681	7,131
Balances with Banks	70,162	84,31,222
Total	84,843	84,38,353

5 Other current assets

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current	Non Current	Current
Balance with Tax Authority	93,746	-	1,85,311	40,000
Total	93,746	-	1,85,311	40,000

6 Equity Share Capital

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

Particulars	31-Mar-18		31-Mar-17	
	No of Shares	Amount	No of Shares	Amount
Authorised Capital :				
Equity Shares of Rs.10/- each	1,00,000	10,00,000	1,00,000	10,00,000
Issued, Subscribed and Fully Paid up Capital :				
Issued Capital	1,00,000	10,00,000	1,00,000	10,00,000
Equity Shares of Rs.10/- each, fully paid				
Subscribed and Fully Paid up Capital	1,00,000	10,00,000	1,00,000	10,00,000
Equity Shares of Rs.10/- each, fully paid				
Total	1,00,000	10,00,000	1,00,000	10,00,000

(b) Reconciliation of Number of Shares Outstanding

Particulars	31-Mar-18		31-Mar-17	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
Add: Issued during the year	-	-	-	-
As at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000

(c) Details of Shareholding in Excess of 5%

Name of Shareholder	31-Mar-18		31-Mar-17	
	No of Shares	%	No of Shares	%
Gammon India Limited	51,000	51%	51,000	51%
B.E.Billimoria & Co Limited.	49,000	49%	49,000	49%

(d) Terms / rights attached to equity shares

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

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

7 Other Equity

Particulars	31-Mar-18		31-Mar-17
Retained earnings	-	(3,06,70,287)	(3,03,88,204)
Total	-	(3,06,70,287)	(3,03,88,204)

8 Borrowings

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current Maturities	Non Current	Current Maturities
Related Parties	1,02,87,75,204	-	1,03,85,75,204	-
Total	1,02,87,75,204	-	1,03,85,75,204	-

Details of Loans taken from Related Parties

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current	Non Current	Current
Bebanco Developers Limited - Loan	52,15,16,396		52,63,18,396	
Gammon India Limited. - Loan	54,32,21,143		54,82,19,143	
Bebanco Developers Limited - Asset	(3,59,62,335)		(3,59,62,335)	
Total	1,02,87,75,204	-	1,03,85,75,204	-

9 Current Financial Liabilities - Other financial liabilities

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current	Non Current	Current
Interest Accrued But Not Due- Related party	4,93,39,723	-	-	4,93,39,723
Other payable	-	20,000	-	23,000
Total	4,93,39,723	20,000	-	4,93,62,723

Details of interest payable to related parties

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current	Non Current	Current
Gammon India Limited	4,93,39,722	-	4,93,39,722	-
Total	4,93,39,722	-	4,93,39,722	-

10 Other liabilities

Particulars	31-Mar-18		31-Mar-17	
	Non Current	Current	Non Current	Current
Duty & Taxes Payable	-	-	-	-
Total	-	-	-	-

11 Other Income

Particulars	Non Current	Non Current
Interest Income	-	-
Total	-	-

Notes on Financial Statements for the year ended 31st March, 2018

12 Finance Cost

Particulars	31-Mar-18	31-Mar-17
Interest Expenses	-	4,93,39,72
Total	-	4,93,39,72

13 Other Expenses

Particulars	31-Mar-18	31-Mar-17
Audit Fees	20,000	23,0
Legal & Professional fee	21,600	64,89
Office expenses	50,450	1,01
Bank Charges	757	1,81
Interest paid on TDS	-	11,69
ROC fillng fees	12,000	1,22,16
Total	1,04,807	2,24,572

Remuneration to Statutory Auditors

Particulars	Non Current	Non Current
Statutory Audit Fees	20,000	23,000
Total	20,000	23,000

14 Earnings Per Share

Particulars	31-Mar-18	31-Mar-17
Net Profit attributable to the Equity Share holders	(2,82,083	(4,97,85,490
O/s number of Equity Shares at the end of the year	1,00,000	1,00,00
Weighted Number of Shares during the period – Basic	1,00,000	1,00,00
Weighted Number of Shares during the period – Diluted	1,00,000	1,00,00
Earning Per Share – Basic (Rs.)	(2.82	(497.85
Earning Per Share – Diluted (Rs.)	(2.82	(497.85

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

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

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

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

19 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2018.

20 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	
	31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17
Financial Assets					
Amortised Cost:					
Loans	1,04,22,21,165	1,04,38,21,173		1,04,22,21,165	1,04,38,21,173
Others	-	-	-	-	-
Trade receivables	-	-	-	-	-
Cash and cash equivalents	84,843	84,38,353		84,843	84,38,353
Bank Balance	-	-	-	-	-
Total Financial Assets	1,04,23,06,008	1,05,22,59,526	-	1,04,23,06,008	1,05,22,59,526
Financial Liabilities					
Amortised Cost					
Borrowings	1,02,87,75,204	1,03,85,75,204		1,02,87,75,204	1,03,85,75,204
Trade payables	-	-		-	-
Others	4,93,59,723	4,93,62,723		4,93,59,723	4,93,62,723
Total Financial Liabilities	1,07,81,34,927	1,08,79,37,927	-	1,07,81,34,927	1,08,79,37,927

(ii) Fair Value Hierarchy

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

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

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

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

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

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

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

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

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

(iii) Financial Risk Management Objectives And Policies

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

(a) Market Risk :

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

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

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

(b) Credit risk

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

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

(i) Actual or expected significant adverse changes in business,

(ii) Actual or expected significant changes in the operating results of the counterparty,

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

(iv) Significant increases in credit risk on other financial instruments of the same counterparty,

(v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

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

(c) Interest rate risk

The Company does not have any borrowings other than group companies primarily from Holding Company. Interest rate charged by the holding company is @9% p.a. Therefore the Company is not exposed to market Interest rate risk.

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

Current Financial Assets of the Company

Particulars	31-Mar-18	31-Mar-17
Cash and Cash Equivalent	84,843	84,38,353
Total	84,843	84,38,353

Maturity profile of financial liabilities

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

Particulars	Within One year	One - Five year	Total
As at March 31, 2018			
Long term Borrowing	-	1,02,87,75,204	1,02,87,75,204
Other financial liabilities	4,93,59,723	-	4,93,59,723
Total	4,93,59,723	1,02,87,75,204	1,07,81,34,927
As at March 31, 2017			
Long term Borrowing	-	1,03,85,75,204	1,03,85,75,204
Other financial liabilities	4,93,62,723	-	4,93,62,723
Total	4,93,62,723	1,03,85,75,204	1,08,79,37,927

21 Capital Management

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

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

Particulars	31-Mar-18	31-Mar-17
Gross Debt	1,06,47,37,539	1,07,45,37,539
Less:		
Cash and Cash Equivalent	84,843	84,38,353
Net debt (A)	1,06,46,52,696	1,06,60,99,186
Total Equity (B)	(2,96,70,287)	(2,93,88,204)
Gearing ratio (A/B)	**(35.88)**	(36.28)

22 Significant Accounting Judgments, Estimates And Assumptions

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

Judgments

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

Taxes

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

Defined benefit plans (gratuity benefits)

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

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

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

Estimates and assumptions

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

Impairment of non-financial assets

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

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

As per our report of even date.

For S. K. Motani & Co
Chartered Accountants
Firm Regn. No. 106582W

Yogesh Motani
Partner
Membership No. 47668
Firm Reg No 106582W

Place : Mumbai
Dated : 27 AUG 2018

For and on Behalf of Board of Directors

Digant L. Kapadia
Director
DIN 00021310

Rajul Bhansali
Director
DIN: 00178558

Place : Mumbai
Dated : 27 AUG 2018

Statement on Change in Equity

Particulars	Retained Earning	Total
Balance as at 31 March 2017	(3,03,88,204)	(3,03,88,204)
Profit for the year	(2,82,083)	(2,82,083)
Fair valuation of loans	-	-
Balance as at 31 March 2018	(3,06,70,287)	(3,06,70,287)