

FRANCO TOSI TURBINES PRIVATE LIMITED

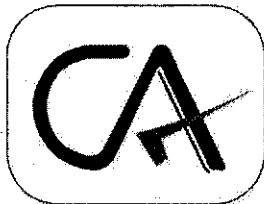
CIN: U29253MH2010PTC202902

**Register Office : Floor 3rd, Plot No-3/8, Hamilton House, J. N.
Heredia Marg, Ballard Estate, Mumbai 400038, Maharashtra**

ANNUAL ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2020



Chaitanya C. Dalal & Co.
CHARTERED ACCOUNTANTS

2, Giri Chhaya Bldg, Loyalka Estate,
Chowpatty Bandstand
Mumbai 400006, India
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INDEPENDENT AUDITOR'S REPORT

To the Members of Franco Tosi Turbines Private Limited

Report on the Indian Accounting Standards (Ind AS) financial statements

Opinion

We have audited the accompanying Ind AS financial statements of **Franco Tosi Turbines Private Limited**, CIN : U29253MH2010PTC202902 which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, of the financial position of the Company as at 31st March 2020, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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

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.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is given in the "Annexure A" on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:

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.

- (a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (b) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;



- (c) 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;
- (d) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, the following directors mentioned below are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

<u>Sr. No.</u>	<u>Name of the Director</u>
1	Mr. Rajul Bhansali
2	Mr. Ajay Singh Mehrotra

- (e) 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 as on 31st March 2020;
- (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) the company has not declared any dividend during the past years hence it there was no requirement to transfer amount to the Investor Education and Protection Funds by the Company.

UDIN NO:

For Chaitanya C. Dalal & Co
Chartered Accountants
FRN: 101632W

Chaitanya C. Dalal
Partner
Membership No: 035809



Place: Mumbai
Date : 6 JUL 2020

Annexure "A" to the Independent Auditor's Report

As at and for the year ended 31st March, 2020 on the Ind AS Financial Statements

To the Members of **Franco Tosi Turbines Private Limited (CIN: U29253MH2010PTC202902)**

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

- (i) The Company does not have fixed assets & immovable property. Hence reporting under clause (i) of the CARO 2016 is not applicable.
- (ii) As explained to us, the physical verification of inventory has been done by the management at reasonable intervals during the year. No material discrepancies were noticed.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees which require compliance with the provisions of Section 185 and 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits. Hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Income-tax, Service Tax, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Service Tax, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Service Tax, and Value Added Tax as on 31st March 2020 on account of disputes.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.



Chaitanya C Dalal & Co

Chartered Accountants

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

UDIN NO:

For Chaitanya C. Dalal & Co

Chartered Accountants

FRN: 101632W

Chaitanya C. Dalal

Partner

Membership No: 035809



Place: Mumbai

Date: 6 JUL 2020

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FRANCO TOSI TURBINES PRIVATE LIMITED

CIN: U29253MH2010PTC202902

Audited Statement of Assets and Liabilities as at March 31, 2020

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
NON-CURRENT ASSETS			
(a) Other non-current assets	2	25,000	25,000
TOTAL NON-CURRENT ASSETS		25,000	25,000
CURRENT ASSETS			
(a) Inventories	3	45,75,942	45,75,942
(b) Financial Assets			
(i) Cash and cash equivalents	4	5,821	66,192
(ii) Other financial assets	5	3,43,351	3,43,351
(c) Other current assets	6	2,47,582	2,47,582
TOTAL CURRENT ASSETS		51,72,695	52,33,066
TOTAL ASSETS		51,97,695	52,58,066
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	7	9,51,450	9,51,450
(b) Other Equity	8	40,46,518	41,08,054
TOTAL EQUITY		49,97,968	50,59,504
LIABILITIES			
CURRENT LIABILITIES			
(a) Financial Liability			
(i) Trade payables	9	-	-
(ii) Borrowings	10	1,76,272	1,76,272
(b) Other current liabilities	11	23,455	22,290
		1,99,727	1,98,562
TOTAL EQUITY and LIABILITIES		51,97,695	52,58,066

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

As per our report of even date.

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

Chaitanya C. Dalal
Partner
Membership No : 35809



Place : Mumbai
Dated : 6 JUL 2020

For and on Behalf of Board of Directors

Sandeep Seth
Director
DIN : 08781589

Aniket Kanvinde
Director
DIN : 08781588

Place : Mumbai
Dated : 6 JUL 2020

Statement of Profit and Loss for the year ended 31st March, 2020

Particulars	Note No.	April 2019 - March 2020	April 2018 - March 2019
INCOME			
I Revenue from Operations	12	-	-
II Other Income		-	-
III Total Income (I + II)		-	-
IV Expenses:			
Finance Cost	13	-	-
Other Expenses		61,536	2,55,564
Total Expenses		61,536	2,55,564
V Profit/(Loss) before exceptional items and tax		(61,536)	(2,55,564)
VI Exceptional items Income / (Expense)		-	-
VII Profit / (Loss) before tax		(61,536)	(2,55,564)
VIII Tax Expenses			
Current Income Tax		-	-
Tax of earlier years		-	-
Total tax expenses		-	-
IX Profit/(Loss) for the period (VII-VIII)		(61,536)	(2,55,564)
X Other Comprehensive Income		-	-
XI Total Comprehensive Profit/(Loss) for the period (IX-X)		(61,536)	(2,55,564)
XII Earning Per Equity Share	14		
Basic		(0.65)	(2.69)
Diluted		(0.65)	(2.69)

As per our report of even date.

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

Chaitanya C. Dalal
Partner
Membership No : 35809

Place : Mumbai

Dated : 6 JUL 2020



For and on Behalf of Board of Directors

Sandeep Seth
Director
DIN : 08781589

Place : Mumbai

Dated :

6 JUL 2020

Aniket Kanvinde
Director
DIN : 08781588

FRANCO TOSI TURBINES PRIVATE LIMITED

CIN: U29253MH2010PTC202902

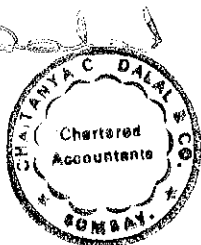
Cash Flow Statement for the year ended 31st March, 2020

Particulars		April 2019 - March 2020	April 2018 - March 2019
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax and Extraordinary Items	(61,536)	(2,55,564)
	Operating Profit Before Working Capital Changes	(61,536)	(2,55,564)
	Changes in working capital:		
	Change in Inventories	-	-
	Trade Receivable	-	-
	Other financial assets	-	-
	Other current assets	-	-
	Trade payables	-	(7,20,000)
	Other financial liabilities	-	-
	Other current liabilities	1,165	2,290
	CASH GENERATED FROM THE OPERATIONS	(60,371)	(9,73,274)
	Direct Taxes Paid	-	-
	Net Cash from Operating Activities	(60,371)	(9,73,274)
B	CASH FLOW FROM INVESTING ACTIVITIES	-	-
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Loans	-	-
	Borrowings	-	-
		-	-
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(60,371)	(9,73,274)
	Balance as at the beginning of the period	66,192	10,39,465
	Balance as at the end of the period	5,821	66,192
	NET INCREASE IN CASH AND CASH EQUIVALENTS	(60,371)	(9,73,274)
	Note: Figure in brackets denote outflows		

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

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

Chaitanya C. Dalal
Partner
Membership No : 35809



Place : Mumbai
Dated : 6 JUL 2020

For and on Behalf of Board of Directors

S.R. Sethi

A. Kanvinde

Sandeep Sethi
Director
DIN : 08781589

Aniket Kanvinde
Director
DIN : 08781588

Place : Mumbai
Dated : 6 JUL 2020

FRANCO TOSI TURBINES PRIVATE LIMITED
CIN: U29253MH2010PTC202902

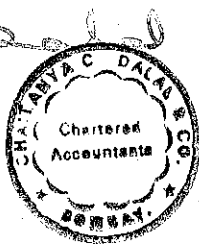
Statement of Changes in Equity

Particulars	Equity Share Capital	Retained earnings	Total
Balance as at 31 March 2018	9,51,450	43,63,618	53,44,128
Profit for the year	-	(2,55,564)	(2,55,564)
Others	-	-	-
Balance as at 31 March 2019	9,51,450	41,08,054	50,88,564
Profit for the year	-	(61,536)	(61,536)
Others	-	-	-
Balance as at 31 March 2020	9,51,450	40,46,518	50,27,028

As per our report of even date.

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

Chaitanya C. Dalal
Partner
Membership No : 35809



Place : Mumbai
Dated : 6 JUL 2020

(Signature)

For and on Behalf of Board of Directors

(Signature of Sandeep Seth)

Sandeep Seth
Director
DIN : 08781589

(Signature of Aniket Kanvinde)

Aniket Kanvinde
Director
DIN : 08781588

Place : Mumbai
Dated : 6 JUL 2020

FRANCO TOSI TURBINES PRIVATE LIMITED

1 NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS.

Company Background

The company has been assigned a power plant project at Tamilnadu on joint venture with Nagai Power Pvt Ltd vide agreement dated 20.12.2013. On 28.02.2014 vide Novation agreement, Gammon India Limited has taken over entire project and scope of Franco Tosi Turbines Pvt Ltd and subsequently all the assets and liabilities pertaining to the project in the books of Franco Tosi Turbines Pvt Ltd have been transferred to Gammon India Limited on 01.01.2017

I Basis of Accounting

The financial statements are prepared under historical cost convention, on going concern concept and in compliance with the India Accounting Standards (Ind AS) notified under the provisions of the Companies Act 2013 as the its holding company Gammon India Limited is require to prepare financial statements as per Ind AS. The Company follows mercantile system of accounting and recognises income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting policies.

II Taxes on Income

- (a) Provision for current tax is made considering various allowances and benefits available to the Company under the provisions of Income Tax Act, 1961.
- (b) In accordance with Accounting Standard AS-22 "Accounting for Taxes on Income", deferred tax resulting from timing differences between book and tax profits are accounted for at tax rate substantially enacted by the Balance Sheet date to the extent the timing differences are expected to be crystallised.

Deferred Tax Assets arising on account of carried forward losses and unabsorbed depreciation as per Income Tax Act, 1961 are recognised to the extent there is a virtual certainty supported by convincing evidence that such assets will be realised.

III Foreign Currency Transactions

- (a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

IV Revenue Recognition

- (a) On Turnkey Contracts
Long term contracts and Joint Ventures are progressively evaluated at the end of each accounting year. On contracts under execution which have reasonably progressed , profit is recognised by evaluation of percentage of work completed at the end of the accounting period, whereas, foreseeable losses are fully provided for in the respective accounting period. The percentage of work completed is determined by the expenditure incurred on the job till each review date to total expected expenditure of the job.
- (b) Service income is recognised as per the terms of contract with customers when the related services are performed.
- (c) Dividends are accounted for when the right to receive dividend is established.
- (d) Income from interest on deposits, loans and interest bearing securities is recognised on time proportionate method.



FRANCO TOSI TURBINES PRIVATE LIMITED

1 NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS.

V Provisions, Contingent Liabilities and Contingent Assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognised nor disclosed.

VI Accounting Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the results are known/ materialised.

V Financial Instruments

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.

VI Inventories

- (a) Raw materials are valued at lower of cost (net of Excise Duty and Value Added Tax) and net realizable value, wherever applicable. Costs are determined on Weighted Average Method.
- (b) Stores and Spares and material at construction site are valued and stated at lower of cost or net realizable value. The Weighted Average Method of inventory valuation is used to determine the cost.
- (c) Work In Progress on construction contracts are carried at lower of value of material inputs, expenses and appropriate production overheads incurred on contracts including estimated profits in evaluated jobs and net realizable value.
- (d) Work In Progress from manufacturing operation is valued at lower of cost and net realizable value. Costs are determined on Weighted Average Method.
- (e) Finished Goods are valued at cost or net realizable value, whichever is lower. Costs are determined on Weighted Average Method.
- (f) The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Notes on Financial Statements for year ended 31st March, 2020

2 Non-current assets - other non-current assets

Particulars	March 31, 2020	March 31, 2019
Others		
Security Deposits	25,000	25,000
Total	25,000	25,000

3 Inventories

Particulars	March 31, 2020	March 31, 2019
Work In Progress	45,75,942	45,75,942
Total	45,75,942	45,75,942

4 Current financial assets - Cash and Bank Balance

Particulars	March 31, 2020	March 31, 2019
Cash and Cash Equivalents		
Balances with Banks	5,821	66,192
Total	5,821	66,192

5 Financial assets: Other financial assets

Particulars	March 31, 2020		March 31, 2019	
	Non Current	Current	Non Current	Current
Interest Accrued Receivable:				
Considered Good	-	3,43,351	-	3,43,351
Considered Doubtful	-	-	-	-
Less : Provision for Doubtful Interest	-	-	-	-
Total		3,43,351		3,43,351

Interest Accrued Receivable

Particulars	March 31, 2020		March 31, 2019	
	Non Current	Current	Non Current	Current
Considered Good:				
Gammon Realty Limited	-	3,43,351	-	3,43,351
Total	-	3,43,351	-	3,43,351

6 Other Assets

Particulars	March 31, 2020		March 31, 2019	
	Non Current	Current	Non Current	Current
Balance with Revenue Authority (Net off provisions)	-	2,47,582	-	2,47,582
Total	-	2,47,582	-	2,47,582

7 Equity Share Capital

Authorised, Issued, Subscribed and Fully Paid up :

Particulars	March 31, 2020		March 31, 2019	
	No of Shares	Amount	No of Shares	Amount
Authorised Capital :				
Equity Shares of Rs.10/- each	2,50,000	25,00,000	2,50,000	25,00,000
Issued, Subscribed and Fully Paid up Capital :				
Issued Capital	95,145	9,51,450	95,145	9,51,450
Equity Shares of Rs.10/- each, fully paid				
Subscribed and Fully Paid up Capital	95,145	9,51,450	95,145	9,51,450
Equity Shares of Rs.10/- each, fully paid				
Total	95,145	9,51,450	95,145	9,51,450

Notes on Financial Statements for year ended 31st March, 2020

Reconciliation of Number of Shares Outstanding

Particulars	March 31, 2020		March 31, 2019	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	95,145	9,51,450	95,145	9,51,450
Add: Issued during the year	-	-	-	-
As at the end of the year	95,145	9,51,450	95,145	9,51,450

Details of Shareholding in Excess of 5%

Name of Shareholder	March 31, 2020		March 31, 2019	
	No of Shares	%	No of Shares	%
Franco Tosi Meccanica S.P.A.	85,145	89.49%	85,145	89.49%
Gammon India Limited	9,998	10.51%	9,998	10.51%

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.

8 Other Equity

Particulars	March 31, 2020	March 31, 2019
Retained earnings	40,46,518	41,08,054
Total	40,46,518	41,08,054

9 Financial Liabilities - Trade Payables

Particulars	March 31, 2020		March 31, 2019	
	Non Current	Current	Non Current	Current
Trade Receivables : (Unsecured, considered good unless otherwise stated)				
Considered good	-	-	-	-
Doubtful debts	-	-	-	-
Provision for debts	-	-	-	-
Less: Expected credit loss	-	-	-	-
Total	-	-	-	-

10 Financial Liabilities - Borrowings

Particulars	March 31, 2020		March 31, 2019	
	Non Current	Current Maturities	Non Current	Current Maturities
Borrowing from related parties	-	1,57,772	-	1,57,772
Directors - Ajay Mehrotra	-	18,500	-	18,500
Total	-	1,76,272	-	1,76,272

Details of Loans given to Related Parties

Particulars	March 31, 2020		March 31, 2019	
	Non Current	Current	Non Current	Current
Considered Good: Gammon India Limited	-	1,57,772	-	1,57,772
Total	-	1,57,772	-	1,57,772

220

Notes on Financial Statements for year ended 31st March, 2020

11 Other current liabilities

Particulars	March 31, 2020	March 31, 2019
Duty & Taxes Payable	-	1,750
Other payable	23,455	20,540
Total	23,455	22,290

12 Other income

Particulars	April 2019 - March 2020	April 2018 - March 2019
Interest Income - Others	-	-
Sundry Balance Written Back	-	-
Total	-	-

13 Other Expenses

Particulars	April 2019 - March 2020	April 2018 - March 2019
Audit Fees	20,000	20,000
Bank Charges & Guarantee Commission	593	306
Fees & Consultations	34,008	2,17,188
Rates & Taxes (incl indirect taxes)	6,935	18,070
Other Expenses	-	-
Total	61,536	2,55,564

Remuneration to Statutory Auditors

Particulars	April 2019 - March 2020	April 2018 - March 2019
Statutory Audit Fees	20,000	20,000
Total	20,000	20,000

14 Earnings Per Share

Particulars	April 2019 - March 2020	April 2018 - March 2019
Net Profit attributable to the Equity Share holders	(61,536)	(2,55,564)
O/s number of Equity Shares at the end of the year	95,145	95,145
Weighted Number of Shares during the period - Basic	95,145	95,145
Weighted Number of Shares during the period - Diluted	95,145	95,145
Earning Per Share - Basic (Rs.)	(0.65)	(2.69)
Earning Per Share - Diluted (Rs.)	(0.65)	(2.69)

15 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.

16 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.

2020

Notes on Financial Statements for year ended 31st March, 2020

17 Deferred Tax

No deferred tax assets provide under IND AS - 12, as there are no profit likely in forcible future to set off the losses.

18 IND AS - 19 Employee Benefits and IND AS - 108 Operating Segments are not applicable to the company and required informations are not given.

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

As per our report of even date.

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

Chaitanya C. Dalal
Partner
Membership No : 35809



Place : Mumbai

Dated : 6 JUL 2020

For and on Behalf of Board of Director

Sandeep Seth
Director
DIN : 08781589

Aniket Kanvinde
Director
DIN : 08781588

Place : Mumbai

Dated : 6 JUL 2020

FRANCO TOSI TURBINES PRIVATE LIMITED

Groupings of Financial Statements for the year ended 31st March, 2020

Balances with Banks

Particulars	March 31, 2020	March 31, 2019
Syndicate Bank	5,821	66,192
Total	5,821	66,192

Balance with Revenue Authority (Net off provisions)

Particulars	March 31, 2020	March 31, 2019
Balance with Revenue Authority		
SELF ASSESSMENT TAX (A.Y.2014-15)	16,25,788	16,25,788
SELF ASSESSMENT TAX (A.Y.2015-16)	22,44,220	22,44,220
SELF ASSESSMENT TAX (A.Y. 2016-17)	19,06,855	19,06,855
SELF ASSESSMENT TAX (A.Y.2017-18)	3,35,975	3,35,975
TDS FOR A.Y 2014-15	10,69,109	10,69,109
TDS FOR A.Y 2015-16	9,78,062	9,78,062
TDS FOR A.Y. 2016-17	9,56,300	9,56,300
TDS FOR A.Y. 2017-18	1,57,500	1,57,500
Total - A	92,73,810	92,73,810
Provisions		
Provision for Income Tax A.Y. 2014-15	26,74,228	26,74,228
Provision for Income Tax A.Y. 2015-16	30,00,000	30,00,000
Provision for Income Tax A.Y. 2016-17	30,00,000	30,00,000
Provision for Income Tax A.Y. 2017-18	3,52,000	3,52,000
Total - B	90,26,228	90,26,228
Total - (A-B)	2,47,582	2,47,582

Trade Payable

Particulars	March 31, 2020	March 31, 2019
Gammon Retail Infrastructure Private Limited	-	-
Total	-	-

Other Payables

Particulars	March 31, 2020	March 31, 2019
Audit fees payable	20,000	20,000
Professional Fees	3,455	540
Total	23,455	20,540



FRANCO TOSI TURBINES PRIVATE LIMITED

Groupings of Financial Statements for the year ended 31st March, 2020

Fees & Consultations

Particulars	April 2019 - March 2020	April 2018 - March 2019
ROC Fees	1,404	1,50,688
Professional fees	32,604	66,500
Total	34,008	2,17,188

Rates & Taxes (Incl. indirect taxes)

Particulars	April 2019 - March 2020	April 2018 - March 2019
Profession Tax (Company)	-	2,500
SGST	3,218	7,785
CGST	3,218	7,785
Stamp Duty	500	-
Total	6,935	18,070

Other Expenses

Particulars	April 2019 - March 2020	April 2018 - March 2019
Printing & Stationery	-	-
Total	-	-



ANNEXURES ATTACHED TO AND FORMING PART OF THE NOTES ON FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31ST MARCH, 2020

Annexure - I : Related Party Disclosure

A. List of Related Parties and Relationship

a) Holding Company

- 1 Franco Tosi Meccanica SPA
- 2 Gammon India Limited (Ultimate Holding Company)

b) Key Management Personnel

- 1 Ajay Mehrotra

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

- 1 Gammon Realty Limited
- 2 Gammon Retail Infrastructure Private Limited

B. Transactions with Related Parties

Particulars	Ultimate Holding Company Gammon India Limited		Enterprises controlled by Key Management Personnel & Their Relatives				Key Management Personnel Ajay Mehrotra	
	April 2019 - March 2020	April 2018 - March 2019	April 2019 - March 2020	April 2018 - March 2019	April 2019 - March 2020	April 2018 - March 2019	April 2019 - March 2020	April 2018 - March 2019
Transactions during the year								
Trade Payable paid								
<u>Closing Balances</u>						7,20,000		
Trade Payables								
Short-term borrowings								
Interest Receivable			3,43,351				18,500	18,500
Other payable	1,57,772	1,57,772						

FRANCO TOSI TURBINES PRIVATE LIMITED

Reg. Office: Plot No - 3/8, Hamilton House, 3rd Floor, J.N. Heredia Marg, Ballard Estate, Mumbai 400038
CIN: U29253MH2010PTC202902

Date: 4th July, 2020

To,
M/s Chaitanya C. Dalal & Co.
Chartered Accountants
111, Maker Chambers-III
223, Nariman Point,
Mumbai-400021

Sir,

Reg: Management Representation Letter in respect of Statutory Audit of Books of Accounts under the Provisions of Companies Act 2013

This representation letter is provided in connection with your audit of Ind AS financial statements of **Franco Tosi Turbines Private Limited** which comprise Balance Sheet as at March 31, 2020, the statement of Profit & Loss (including comprehensive income), statement of cash flows and statement of changes in equity for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows in conformity with accounting standards generally accepted in the India. We confirm that to the best of our knowledge and belief, the information provided here is true and fair and we had made such inquiries as we considered necessary for the purpose of appropriately informing ourselves.

We acknowledge our responsibility for the preparation and fair presentation of the reporting entity. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statement that are free from material misstatements, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

We confirm to the best of our knowledge and belief, as of 31st March 2020, the following representations were made to you during your audit:

1. The accounting policies, which are material or critical in determining the results of operations for the year and the financial position, are set out in the financial statement and are consistent with those adopted in the financial statement for the previous year.
2. That in preparation of the annual accounts, the applicable Indian Accounting Standards have been followed and no material departures have been made from the same.
3. We had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of applicable laws, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Company has prepared the annual accounts on a going concern basis;
5. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable & disclosed in the financial statements.
6. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

FRANCO TOSI TURBINES PRIVATE LIMITED

Reg. Office: Plot No - 3/8, Hamilton House, 3rd Floor, J.N. Heredia Marg, Ballard Estate, Mumbai 400038
CIN: U29253MH2010PTC202902

7. We have complied with all aspects of contractual agreements that could have material effect on the financial statement in the event of non-compliance. We confirm that no liability on account of liquidity damages will arise further than that provided for in the accounts.
8. We believe that the effects of the uncorrected financial statement misstatements summarized in the accompanying schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
9. There has been no:
 - i. Fraud involving management or employees who have significant roles in internal control.
 - ii. Fraud involving others that could have a material effect on the financial statements.
10. The financial statement are fairly presented true and fair view of Income, expenditure and assets, liabilities of the company for the period under audit.
11. The following have been properly recorded or disclosed in the financial statements:
 - i. Related-party transactions, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - ii. Guarantees, whether written or oral, under which the company is contingently liable.
12. There are no :
 - i. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - ii. Un-asserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with applicable Ind AS
13. The company has satisfactory title to all owned assets and are duly utilised for the business purpose only. There are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except for those as mentioned in schedule enclosed. None of the fixed assets have been re-valued or impaired during the year. Tangible fixed assets have been capitalised and depreciation have been charged from the date fixed assets put to use.
14. That the company has not entered into any "International Transactions", as defined by section 92B of the Act. There are no "Domestic Transaction" took place during the year.
15. That there is no personal / Capital expenditure debited to the Profit & Loss Account;
16. That all the Current Assets & Current Liabilities are stated at their realisable value.
17. All financial assets and liabilities are stated at fair value as required by applicable Ind AS.

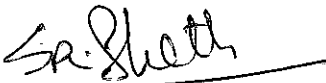
FRANCO TOSI TURBINES PRIVATE LIMITED

Reg. Office: Plot No - 3/8, Hamilton House, 3rd Floor, J.N. Heredia Marg, Ballard Estate, Mumbai 400038
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18. On the basis of written representations received from directors and taken on record, none of the directors except Mr Rajul Bhansali and Mr Ajay Singh Mehrotra, are disqualified as on date from being appointed as a director in terms of Section 164(2) of the Act.
19. We have provided requisite disclosures in its 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.
20. The fixed assets of the company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
21. The physical verification of inventory has been done by the management at reasonable intervals during the year. No material discrepancies were noticed.
22. 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 2020.

To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforesaid financial statements.

For Franco Tosi Turbines Private Limited


Director