INDIRA CONTAINER TERMINAL PRIVATE LIMITED

DIRECTORS' REPORT

To
The Members of
Indira Container Terminal Private Limited

Your Directors have pleasure in presenting herewith their Tenth Annual Report on the business and operations of the Company together with the Audited Statements of Accounts of the Company for the year ended on March 31, 2017 ("**Financial Year**").

Pursuant to the notification dated February 16, 2015 of the Ministry of Corporate Affairs, your Company has adopted the Indian Accounting Standards notified under section 133 of the Companies Act, 2013 in preparing and presenting the Financial statements beginning the Financial Year under report, the figures for the previous financial year ended on March 31, 2016 and the balances as on October 1, 2014 have been restated accordingly in order to make them comparable.

FINANCIAL HIGHLIGHTS

The financial highlights of the Company for the Financial Year ended are as under:

(Rupees in Lakhs)

Particulars	**Period ended March 31, 2017**	**Period ended March 31, 2016**
Revenue from Operations	3,607.56	1,837.69
Revenue from Construction activities	460.60	4,794.39
Other Income	7.84	7.23
Total Income	**4,076.00**	**6,639.31**
Finance Expenses	5,596.52	-
Depreciation and Amortization	2,764.84	44.39
Profit / (Loss) before Taxes	(5,140.19)	1,489.15
Profit / (Loss) after Taxes	**(5,140.19)**	**1,400.14**

OPERATIONS

ICTPL has handled 96 RORO vessels, 3 Steel cargo vessels and 2 passenger vessels during the Financial Year. The Company earned revenue of Rs. 8,016.80 Lakhs from the Operations. After paying 55% of the revenue earned i.e. Rs 4,409.24 Lakhs towards Revenue Share to the Mumbai Port Trust ("**MbPT**"), the balance was used towards operating expenses and towards partially liquidating lenders overdues.

PROJECT STATUS

The project is delayed due to reasons beyond the control of the Company. As the operations could not commence within the prescribed time lines set by Reserve Bank of India for infrastructure projects, the account was classified as a Non

Performing by the lenders. However, a process of reviving and restructuring the project is under discussions with MbPT / lenders under the direct supervision of the Prime Minister's Office and Ministry of Shipping. In the interim, the Company has been granted permission to handle RORO vessels as an alternative use for one year at a Revenue Share of 55% to MbPT. However, due to the higher revenue share, the Company is not able to even meet the interest obligations towards its lenders, as explained above.

DIVIDEND / TRANSFER TO RESERVE(S)

On account of the loss incurred during the Financial Year, your Directors did not recommend any dividend for the Financial Year. No amount is transferred to any reserves.

SHARE CAPITAL

The paid up share capital as at March 31, 2017 is Rs. 1,01,56,60,000/-. During the Financial Year, the Company has not issued any shares nor has granted any stock option or sweat equity.

Pursuant to the Third Amendment to the Supplemental Agreement dated 5th April 2017 entered into between the Company, Gammon Infrastructure Projects Limited ("**GIPL**") and Noatum Ports, S. L., 24,375,840 equity shares of face value of Rs. 10/- each of the Company totaling to 24.00% of the paid up equity share capital of the Company were acquired by GIPL from Noatum Ports, S. L. on 6th April 2017. As a result of the said transfer of shares, shareholding of GIPL had increased to 74.00% of the paid up equity share capital and the Company became subsidiary of GIPL pursuant to section 2(87) of the Companies Act, 2013.

MEETINGS OF THE BOARD

During the Financial Year, four (4) Board Meetings were duly convened and held on 27th May 2016, 2nd September 2016, 13th October 2016 and 16th January 2017 and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

Details of attendance by each Director at the said Board meetings are as under:

Name of Director(s)	**Board meetings attended during Financial Year**
Mr. Ragam Kishore	1
Mr. Francisco Reinoso**	3
Mr. Monesh R Bhansali*	1
Mr. C. S. Sangitrao	4
Mr. Mineel Mali	3

*Mr. Monesh R. Bhansali has resigned w. e. f. 28th May 2016

**Mr. Francisco Reinoso resigned w. e. f. 5th April 2017

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

The Company does not have any subsidiary/associate or Joint Venture.

EXTRACT OF ANNUAL RETURN

The details forming part of the extracts of Annual Return in Form MGT-9 as per Section 92 of the Companies Act, 2013 is annexure herewith as **Annexure "A"**.

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013, Mr. C. S. Sangitrao retires by rotation at the next Annual General Meeting ("**AGM**") and has offered himself for re-appointment.

Ms. Renuka Shitut was appointed as an additional director w. e. f. 17th June 2017. Ms. Shitut shall hold office as such up to the date of next AGM. The Company has received notice from a member of the Company with the requisite deposit proposing Ms. Renuka Shitut's appointment as a Director at the forthcoming AGM of the Company. Mr. Francisco Reinoso resigned as a Director of the Company w. e. f. 5th April 2017.

The Company is in the process of appointing independent directors on the Board of the Company. Presently, the Board of Directors comprises of Mr. Ragam Kishore, Mr. C. S. Sangitrao, Mr. Mineel Mali and Ms. Renuka Shitut.

KEY MANAGERIAL PERSONNEL

It was not required to appoint Key Managerial Personnel during the Financial Year as the Company was private company.

DEPOSITS

During the Financial Year, your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the Financial Year, the Company did not grant any loan or made any investments or provide any guarantee as covered under the provisions of section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

The Company has not made any related party transactions covered under the provisions of section 188 of the Companies Act, 2013 hence prescribed Form AOC-2 is not applicable.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that –

(i) in the preparation of annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures;
(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2016-2017 and of loss of the Company for that period;
(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
(iv) the Directors had prepared the annual accounts on a going concern basis; and
(v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

Being an unlisted company, provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 are not applicable to your Company.

STATUTORY AUDITORS

At the Eighth Annual General Meeting (AGM) of the Company, M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No.106971W), had been appointed as the Statutory Auditors of the Company until the conclusion of the Thirteenth AGM of the Company. In terms of the provisions of the Companies Act, 2013, it is necessary to get the appointment ratified by the shareholders at every Annual General Meeting until the expiry of the period of original appointment.

Your Board recommends the ratification of appointment of M/s. Natvarlal Vepari & Co., Chartered Accounts as Statutory Auditors of the Company. The Company has obtained written consent and letter confirming eligibility from M/s. Natvarlal Vepari & Co. The members of the Company are requested to ratify the appointment of Auditors and fix their remuneration.

AUDITORS REPORT:

The Auditors have made a qualified opinion in their Report, which reads as below:

According to information and explanations given to us and based on documents and records produced to us, the company has not serviced interest and principle of Rs. 31,500.79 Lakhs for the entire year in respect of loans from banks and financial institutions. The details of the same are given in the financial statements under note no. 8.(1)g.

Management explanation to the aforesaid Auditor's qualification:
The Company's project has been delayed for over 7 years due to the inability of the MbPT to fulfill their obligations laid down in the License Agreement. The project was therefore classified as a Non Performing Asset by the lenders as per the Master Circular notified by Reserve Bank India on Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.

The Company together with MbPT has held several rounds of discussions to revive and restructure the project under guidance of the Prime Minister's Office and Ministry of Shipping. A Supplementary Agreement is being finalized which would help in restructuring of the project. The terms of the said Supplementary Agreement are being discussed and the same will be finalized shortly. Lenders to the project have also been made party to this Supplementary Agreement. In the interim, the Company has been granted permission by MbPT to handle RORO and Steel cargo vessels from its completed berths.

During the Financial Year, the Company has handled 101 vessels and has earned Rs. 8,016.80 Lakhs towards revenue from its partly completed facilities.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions of the Companies Act, 2013 related to CSR do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard.

CONVERSION OF ENERGY, TECHNOLOGY ABSORBTION, FOREIGN EXCHANGE EARNINGS & OUTGO

(A) Conservation of energy- N.A.

(i) the steps taken or impact on conservation of energy;

(ii) the steps taken by the company for utilising alternate sources of energy;
(iii) the capital investment on energy conservation equipments;

(B) Technology absorption- N.A.
(i) the efforts made towards technology absorption;
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  (a) the details of technology imported;
  (b) the year of import;
  (c) whether the technology been fully absorbed;
  (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
(iv) the expenditure incurred on Research and Development.

(C) Foreign exchange earnings and Outgo -
Foreign Exchange earned in terms of actual inflows during the year - NIL
Foreign Exchange outgo during the year in terms of actual outflows - NIL

MATERIAL CHANGES AND COMMITMENTS

No material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this report.

RISK MANAGEMENT

The Company has not developed and implemented a formal risk management policy for the Company. However, the Board of Directors periodically as a part of its review of the business consider and discuss the external and internal risk factors like Government policies, macro and micro economy factors, Company financials and operations related specific factors, foreign currency rate fluctuations and related matters that may threaten the existence of the Company.

The Board is of the opinion that there are no major risks affecting the existence of the Company except in respect of the Company's Project as discussed above.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is yet to establish a vigil mechanism applicable from current financial year.

DISCLOSURE ON WOMEN AT WORKPLACE

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the Financial Year, no case was reported in this regard.

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY

Your Company's internal control systems are commensurate with the nature and size of its business operations. Your Company has adequate internal financial controls in place to ensure safeguarding of its assets, prevention of frauds and errors, protection against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported diligently in the Financial Statements.

ACKNOWLEDGMENT

The Directors acknowledge with gratitude the co-operation and support received from the Company's Bankers and MbPT. They wish to place on record their sincere appreciation of the services rendered by all members of staff and employees of the Company.

For and on behalf of the Board of
Indira Container Terminal Private Limited

Renuka Shitut	Mineel Mali
Director	Director
DIN: 03353167	DIN: 06641595

Place: Mumbai
Date: September 4, 2017

Annexure "A" to the Directors' Report

FORMNO.MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	Corporate Identity Number (CIN)	U63032MH2007PTC174100
ii	Registration Date	September 13, 2007
iii	Name of the Company	Indira Container Terminal Private Limited
iv	Category	Company Limited By Shares
v	Sub-Category of the Company	Indian Non-Government Company
vi	Address of the Registered office and contact details	ICT Office, Indira Dock, Green Gate, Mumbai Port, Mumbai, Maharashtra - 400038. India Contact No. 91 – 22 – 66254444
vii	Whether listed company Yes / No	No
viii	Name, Address and contact details of Registrar and transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Construction and maintenance of ports, roads, railways, utility projects	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	--	--	--	--	--

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1)Indian									
Individual/ HUF	-	-	-	-	-	-	-	-	-
Central Gov.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corp.	50783000	0	50783000	50	50783000	0	50783000	50	0
Banks/FI									
Any Other									
Sub-Total (A) (1)	**50783000**	**0**	**50783000**	**50**	**50783000**	**0**	**50783000**	**50**	**0**
(2) Foreign									
a)NRIs- Individuals	-	-	-	-	-	-	-	-	-
b)Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	50783000	-	50783000	50	50783000	-	50783000	50	-
d) Banks/FI e)Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**50783000**	**0**	**50783000**	**50**	**50783000**	**0**	**50783000**	**50**	**0**
Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	101566000	0	101566000	100	101566000	0	101566000	100	0
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a)Mutual Funds	-	-	-	-	-	-	-	-	-
b)Banks/FI	-	-	-	-	-	-	-	-	-
c)Central Govt.	-	-	-	-	-	-	-	-	-
d)State Govt.	-	-	-	-	-	-	-	-	-
e)Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)Insurance Companies	-	-	-	-	-	-	-	-	-
g)FIIs	-	-	-	-	-	-	-	-	-
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2.Non-Institutions									
a)Bodies Corp.	-	-	-	-	-	-	-	-	-

i)Indian	-	-	-	-	-	-	-	-	-
ii)Overseas	-	-	-	-	-	-	-	-	-
b)Individuals	-	-	-	-	-	-	-	-	-
i)Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) **(2)**	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C.Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**101566000**	**0**	**101566000**	**100**	**101566000**	**0**	**101566000**	**100**	**0**

(ii) **Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Gammon Infrastructure Projects Limited	24375840	24.00	16.25	24375840	24.00	16.25	00.00
2	Gammon India Limited	26407160	26.00	26.00	26407160	26.00	26.00	00.00
3	Noatum Ports, S. L.	50783000	50.00	25.50	50783000	50.00	25.50	00.00
		101566000	**100.00**	**67.75**	**101566000**	**100.00**	**67.75**	**00.00**

(iii) Change in Promoter's Shareholding (Please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	101566000	100	101566000	100
	Date wise Increase/ Decrease in Promoters Shareholding during the year	No transaction during the year			
	At the End of the year	101566000	100	101566000	100

(iv) Shareholding Pattern of top ten Shareholders (other than directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date-wise Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the End of the year	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date-wise Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,642,232,284	-	-	**4,642,232,284**
ii) Interest due but not paid	1,112,921,956	24,749,845	-	**1,137,671,801**
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**5,755,154,240**	**24,749,845**	-	**5,779,904,085**
Change in Indebtedness during the financial year				
- Addition	585,635,059	-	-	**585,635,059**
- Reduction	-	-	-	-
Net Change	585,635,059	-	-	585,635,059
Indebtedness at the end of the financial year				
i) Principal Amount	4,771,125,421	-	-	4,771,125,421
ii) Interest due but not paid	1,569,663,878	24,749,845	-	1,594,413,723
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6,340,789,299	24,749,845	-	6,365,539,144

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing director, Whole-time Directors and/or Manager

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Not Applicable	
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-

	(c)Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of Profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act		

B. Remuneration to other directors :

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
3.	Independent Directors	Not Applicable	-
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
4.	Other Non-Executive Directors	**Mr. C. S. Sangitrao**	
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Fees for Directorship Services	20,32,258	20,32,258
	Total (2)	20,32,258	20,32,258
	Total (B)=(1+2)		20,32,258
	Total Managerial Remuneration (A + B)		20,32,258
	Overall Ceiling as per the Act	Being a private company, not applicable	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c)Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Sock Option	-	-	-	-
3	Sweat Equity	-	-	-	-

4	Commission	-	-	-	-
	- as % of Profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALITIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
A.COMPANY					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					
B.DIRECTORS					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					
C.OTHER OFFICERS IN DEFAULT					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					

FOR AND ON BEHALF OF THE BOARD OF

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

Renuka Shitut
Director
DIN - 07225453

Mineel Mali
Director
DIN - 06641595

Place: Mumbai
Date: September 4, 2017

Natvarlal Vepari & Co.
CHARTERED ACCOUNTANTS
Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

INDEPENDENT AUDITOR'S REPORT

To the Members of Indira Container Terminal Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of Indira Container Terminal Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as Standalone "Ind AS Financial Statement").

Management's Responsibility 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 Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) specified under Section 133 of the Act, read with relevant rules thereon.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the

NATVARLAL VEPARI & CO. ★ Mumbai ★ CHARTERED ACCOUNTANTS

Standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2017, its financial performance including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Emphasis of matter

Attention is invited to Note No 3 and Note no 34 relating to the going concern assumption and the status of the project including there being a possibility of rebid of the project and the management confidence of winning the bid and continuing the port services. On account of the draft supplementary agreement being circulated pursuant to the discussion with the MBPT and the lenders, which includes part waiver of the dues to the bank, the management contends that the financial statement is prepared on going concern basis. We have relied on the management assertion on the matter and have not made any adjustment to the financial statements. Our report is not qualified on this account

Other Matter

The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standard) Rules 2006 (as amended) which were audited by us , on which we expressed unmodified opinion dated September 2, 2016 and December 15, 2015 respectively. The adjustments to these financial statements for the difference in accounting principles adopted by the Company on transition to the have been audited by us.

Report on Other Legal and Regulatory Requirements

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

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

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

(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 it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statements of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereon;

(e) The matters described in Empahsis of Matters paragraph, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164(2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

   i. There are no pending litigations on its financial position in its Standalone Ind AS Financial Statements;

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

   iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund during the year.

   iv. The Company has provided requisite disclosures in its Standalone Ind AS Financial Statements as regards to holdings as well as dealings in Specified Bank Notes as defined in the notification S.O.3407(E) dated the November 8, 2016 of the Ministry of finance , during the period from November 08, 2016 to December 30, 2016. Based on audit procedures performed and the representation provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. Refer Note 4.4 to the Standalone Ind AS Financial Statements.

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

Ruchi Tamhankar
Partner
Membership No. 136667
Mumbai, Dated: June 17, 2017

NATVARLAL VEPARI & CO. CHARTERED ACCOUNTANTS Mumbai

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

ANNEXURE A

To the Independent Auditors' Report on the Standalone INDAS Financial Statements of Indira Container Terminal Private Limited

(i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment.

(b) Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) We have verified the title deeds of the immovable property forming part of Property, Plant & Equipment produced before us by the Management and the same are in compliance of clause 3(i)(c) of Companies (Auditors Report) Order 2016.

(ii) The company does not hold any inventory during the year, and hence clause 3(ii)(a) and 3(ii)(b) of Companies (Auditors Report) Order 2016 are not applicable

(iii) The Company has not granted any loans to entities covered in the register maintained u/s 189 of the Companies Act 2013 and hence clauses 3(iii)(a), 3(iii)(b) & 3(iii)(c) of Companies (Auditors Report) Order 2016 are not applicable

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantees and security given.

(v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to Cargo handling business, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same

(vii) (a) The Company has been regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, or Value Added Tax which have not been deposited on account of any dispute.

NATVARLAL VEPARI & CO. ★ Mumbai ★ CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

(viii) *According to the information and explanations given to us and based on the documents and records produced to us, the company has not serviced interest and principle of Rs.31,500.79 lacs for the entire year in respect of loans from banks and financial institutions. The details of the same are given in the financial statements under note no. 8.1(g).* Further, the company has not obtained any borrowings by way of debentures.

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

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

(xi) The company has not paid any managerial remuneration during the year and hence provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company.

(xii) The Company is not a Nidhi Company hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Accounting Standard.

(xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

(xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

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

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NATVARLAL VEPARI & CO. ★ Mumbai ★ CHARTERED ACCOUNTANTS

Ruchi Tamhankar
Partner
Membership No. 136667
Mumbai, Dated: June 17, 2017

Annexure - B

To the Independent Auditors' Report on the Standalone INDAS Financial Statements of Indira Container Terminal Private Limited

Report on the Internal Financial Controls 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 Indira Container Terminal Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone Ind AS Financial Statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over 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.

NATVARLAL VEPARI & CO. ★ CHARTERED ACCOUNTANTS ★ Mumbai

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

NATVARLAL VEPARI & CO. ★ CHARTERED ACCOUNTANTS ★ Mumbai

Ruchi Tamhankar
Partner
Membership No. 136667
Mumbai, Dated: June 17, 2017

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CIN: U63032MH2007PTC174100

BALANCE SHEET AS AT MARCH 31, 2017

(Rs. In lacs)

Particulars	Note Ref	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	84.76	93.33	135.76
(b) Other Intangible assets	4	73,506.44	2,500.07	2,500.34
(c) Intangible Assets Under Development	5	-	71,448.72	59,346.91
(d) Financial Assets	6			
(i) Trade receivables	6.1	-	59.91	59.44
(ii) Loans & Advances	6.2	105.18	105.12	105.12
(iii) Others	6.3	28.39	27.16	26.19
(e) Other Non-current assets	7	1,686.07	1,623.75	1,628.54
Total Non-current Assets (A)		**75,410.84**	**75,858.06**	**63,802.29**
(2) Current Assets				
(a) Financial Assets	6			
(i) Trade receivables	6.1	503.79	848.68	0.00
(ii) Cash and cash equivalents	6.4	1,618.29	632.50	13.57
(iii) Loans & Advances	6.2	0.01	3.01	3.01
(iv) Others	6.3	54.12	48.72	43.32
(b) Other current assets	7	28.75	22.13	71.07
Total Current Assets (B)		**2,204.95**	**1,555.02**	**130.97**
Total Assets (A + B)		**77,615.79**	**77,413.08**	**63,933.26**
EQUITY & LIABILITIES				
(1) Equity				
(a) Equity Share capital	8	10,156.60	10,156.60	10,156.60
(b) Other Equity	9	(4,619.70)	519.98	(1,000.57)
Total Equity (A)		**5,536.90**	**10,676.58**	**9,156.03**
(2) Liabilities				
Non-current liabilities				
(a) Financial Liabilities	10			
(i) Borrowings	10.1	-	30,984.25	38,798.38
(b) Provisions	11	14.43	9.77	3.89
Total Non-Current liabilities (B)		**14.43**	**30,994.02**	**38,802.27**
(3) Current liabilities				
(a) Financial Liabilities	10			
(i) Borrowings	10.1	47,711.25	15,438.07	7,373.94
(ii) Trade payables	10.2	740.38	885.52	10.86
(iii) Other financial liabilities	10.3	23,565.35	19,322.70	8,589.10
(b) Other current liabilities	12	47.16	71.20	0.98
(c) Provisions	11	0.31	25.00	0.08
Total Current liabilities (C)		**72,064.46**	**35,742.49**	**15,974.96**
Total Equity and Liabilities (A + B + C)		**77,615.79**	**77,413.08**	**63,933.26**

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

Ruchi Tamhankar
Partner
M.No. 136667

Place: Mumbai
Date: June 17, 2017

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors
Indira Container Terminal Private Limited

Mineel Mali
Director
DIN: 06641595

Place: Mumbai
Date: June 17, 2017

Renuka Shitut
Director
DIN: 07225453

Place: Mumbai
Date: June 17, 2017

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CIN: U63032MH2007PTC174100

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Rs. In lacs)

	Particulars	Note Ref	For the year ended March 31, 2017	For the year ended March 31, 2016
I	**Revenue from Operations (Gross):**			
a)	Revenue from Operations	13	4,068.16	6,632.07
	Revenue from Operations		**4,068.16**	**6,632.07**
II	Other Income:	14	7.84	7.23
III	**Total Revenue (I + II)**		**4,076.00**	**6,639.31**
IV	**Expenses:**			
	Construction Cost	15	456.04	4,746.92
	Personnel Expenses	16	122.01	102.06
	Finance Expenses	17	5,596.52	-
	Depreciation & amortization	18	2,764.84	44.39
	Other Expenses	19	276.78	256.79
	Total Expenses		**9,216.19**	**5,150.16**
V	**Profit Before Tax (III-IV)**		(5,140.19)	1,489.15
VI	Tax Expense			
	1. Current Tax		-	83.10
	2. Short Provision for Tax		-	5.91
VII	**Profit for the period (XIV+XI)**		**(5,140.19)**	**1,400.14**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassied to Profit and Loss			
	Remeasurement of defined benefit plans		0.51	1.46
IX	**Total Comprehensive Income**		**(5,139.68)**	**1,401.60**
X	Earnings per Equity Share:	21		
	Basic & Diluted		(5.06)	1.38
	Par Value		10.00	10.00

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

Ruchi Tamhankar
Partner
M.No. 136667

Place: Mumbai
Date: June 17, 2017

NATVARLAL VEPARI & CO. ★ CHARTERED ACCOUNTANTS ★ Mumbai

For and behalf of the Board of Directors
Indira Container Terminal Private Limited

Mineel Mali
Director
DIN: 06641595

Place: Mumbai
Date: June 17, 2017

Renuka Shitut
Director
DIN: 07225453

Place: Mumbai
Date: June 17, 2017

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CIN : U63032MH2007PTC174100

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

(Rs. In Lacs)

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net profit/ (loss) before tax and extraordinary items		(5,140.19)		1,489.15
Add:				
Depreciation	2,764.84		44.39	
Finance Expneses	5,596.52	8,361.36	-	44.39
Less:				
Interest Income	7.36		7.09	
Profit on sale of asset	0.04		-	
Sundry Balance written back	0.44	7.84	-	7.09
Operating profit before working capital changes		**3,213.33**		**1,526.46**
Movements in working capital :				
Increase / (decrease) in trade payables and other finanical liabilities	(469.46)		5,539.28	
Movement in provisions	3.41		9.33	
Changes in other liabilities	(24.03)		70.21	
Movement in Trade Receivables	404.80		(848.68)	
Movement in financial assets	1.70		(0.98)	
Movement in other assets	44.22	(39.36)	(1.90)	4,767.26
Cash (used in) / generated from the operations		3,173.98		6,293.71
Direct taxes paid		179.34		62.09
Net cash (used in) / generated from the operations		**2,994.64**		**6,231.63**
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Interest Received	1.96		1.69	
Movements in Intangible Asset under Development	(58.63)		(4,798.68)	
Amount received on sale of tangible assets	0.20		-	
Payments made towards purchase of tangible assets	(33.43)	(89.90)	(1.69)	(4,798.69)
		(89.90)		**(4,798.69)**
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Loan proceeds from Banks & Financial Institutions	1,288.93		250.00	
Inter-company loan received	-		125.50	
Inter-company loan repaid	-		(6.54)	
Interest Paid	(3,207.88)	(1,918.95)	(1,182.98)	**(814.02)**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**985.79**		**618.92**
Opening Balance		632.50		13.57
Closing Balance		1,618.29		632.50
NET INCREASE IN CASH AND CASH EQUIVALENTS		**985.79**		**618.92**
Components of cash and cash equivalents				
- Bank balance in current account		1,618.20		632.41
- Cash on Hand		0.08		0.08
		1,618.29		**632.50**

Note: Figures in brackets denote outflows.

The accompanying notes are an integral part of the financial statements.
As per our report of even date.

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

Ruchi Tamhankar
Partner
Membership No. : 136667

Place : Mumbai
Date: June 17, 2017

NATVARLAL VEPARI & CO. CHARTERED ACCOUNTANTS Mumbai

For and on behalf of the Board of Direcotrs of Indira Container Terminal Private Limited

Mineel Mali
Director
DIN: 06641595

Place: Mumbai
Date: June 17, 2017

Renuka Shitut
Director
DIN: 07225453

Place: Mumbai
Date: June 17, 2017

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2017

Statement of Changes in Equity for the period ended

A . Equity Share Capital

(Rs. In lacs)

Equity Share Capital	March 31, 2017		March 31, 2016		April 1, 2015	
	Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
Equity shares of INR 10 each issued, subscribed and fully paid						
Balance at the beginning of the reporting period	101,566,000	10,156.60	101,566,000	10,156.60	101,566,000	10,156.60
Add: Issue during the reporting period	-	-	-	-	-	-
Balance at end of the reporting period	**101,566,000**	**10,156.60**	**101,566,000**	**10,156.60**	**101,566,000**	**10,156.60**

B. Other Equity

For the year ended March 31, 2017

Particulars	Retained Earnings	Capital Contribution	Other Comprehensive Income	Total
Balance as at April 1, 2015 as per Previous GAAP	(4,977.81)	-	-	(4,977.81)
IndAS adjustment on account of:				
Items that will not be reclassified to Profit and Loss				
-Actuarial loss transferred to OCI	1.17	-	(1.17)	-
Construction margin on EPC	373.72	-	-	373.72
Inter-Corporate Loan received from GIPL	-	3,603.51	-	3,603.51
Balance as at April 1, 2015 as per IndAS	(4,602.92)	3,603.51	(1.17)	(1,000.57)
Profit for the year	1,400.14		-	1,400.14
Items that will not be reclassied to Profit and Loss				
-Actuarial gain transferred to OCI	-		1.46	1.46
Inter-Corporate Loan received from GIPL	-	118.96		118.96
Balance as at March 31, 2016	(3,202.78)	3,722.47	0.29	519.98
Profit for the year	(5,140.19)		-	(5,140.19)
Items that will not be reclassied to Profit and Loss				
-Actuarial gain transferred to OCI	-		0.51	0.51
			-	-
Balance as at March 31, 2017	(8,342.96)	3,722.47	0.80	(4,619.70)

NATVARLAL VEPARI & CO. * CHARTERED ACCOUNTANTS * Mumbai

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CIN: U63032MH2007PTC174100

Significant Accounting Policies for the year ended March 31, 2017

1 **Corporate Information**

Indira Container Terminal Private Limited ('ICTPL',or 'the Company') was incorporated under the Companies Act, 1956 on September 13, 2007. The Company is promoted by Gammon India Limited ('GIL') with Gammon Infrastructure Projects Limited ('GIPL') and Noatum Ports Sociedad Limitada Unipersonal SLU ('NPSL') formerly known as Dragados Servicious Portuarios Y Logisticos S.L., Spain ('DSPL').

The Company has signed a License Agreement ('LA') with the Board of Trustees of the Port of the Mumbai ('MbPT') on December 3, 2007 for operation and management including necessary developments, modifications and augmentation of facilities, of the Ballard Pier Station Container Terminal ('BPS') and development, construction, operation and management of an Offshore Container Terminal ('OCT') in the Mumbai harbour to be implemented in accordance with the Major Port Trusts Act, 1963 and the Guidelines for Private Sector Participation through Build, Operate & Transfer (BOT) basis.

GIPL a listed subsidiary of GIL, has later acquired beneficial, controlling interest and voting rights in respect of 26,407,160 equity shares. Due to this GIPL has become 50% joint venture in this Company.

During the year, pursuant to the discussion with MBPT that the project will not proceed as envisaged originally and considering that the RORO operations are not temporary, the company has capitalized the expenditure incurred on the berth by which it obtained right to port operations on the intangible asset

2 **Significant Accounting Policies**

2.1 **Basis of Preparation**

The financial statements are prepared and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rule, 2016 and other relevant provisions of the Act.

For all periods upto and including year ended March 31, 2016, the Company has prepared its financial statements in accordance with Companies (Accounting Standards) Rules 2016 notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP).

The financial statements for the year ended March 31, 2017 are the first period for which the Company has prepared in accordance with Ind AS . The previous period comparatives for the twelve months period ended March 31, 2016 which were earlier prepared as per previous GAAP have been restated as per Ind AS to make them comparable. The date of transition to Ind AS is therefore April 1, 2015 for which the Opening Balance Sheet is prepared.

The standalone financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except otherwise stated.

Use of estimates

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

2.2 **Summary of significant accounting policies**

The operating cycle of the business of the Company is twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

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

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.

Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.

Decomissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as per schedule II of the Companies Act, 2013

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) **Intangible assets**

Intangible assets are recorded at the consideration paid for cost of acquisition or development less amortization. The cost of an internally generated asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce and make the asset ready for its intended use. Intangible assets under development are capitalized only if the Company is able to establish control over such assets and expects future economic benefit will flow to the Company.

Intangible assets are amortised over the concession period from the date of capitalization

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

Service Concession Agreements - The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the intangible asset is measure at cost, less any accumulated amortisation and accumulated impairment losses.

d) **Intangible Asset under development**

Intangible asset under development comprises entirely of the cost of 'Project BPS' being developed by the Company to be operated on a BOT basis.

Intangible asset under development is stated at cost of development less accumulated impairment losses, if any. Costs include direct costs of development of the project road and costs incidental and related to the development activity. Costs incidental to the development activity, including financing costs on borrowings attributable to development of the project road, are capitalised to the project road till the date of completion of development.

e) **Borrowing costs**

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

f) **Impairment Loss**

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

Non-financial assets other than goodwill for which impairment losses have been recognized are tested at each balance sheet date in the event that the loss has reversed.

g) **Cash and cash equivalents**

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

h) **Provisions and contingent liabilities**

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.

Contingent liabilities

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.

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i) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.
Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.
The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.
Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.
Past service costs are recognised in profit or loss on the earlier of:

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

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

The current and non-current bifurcation is done as per Actuarial report.

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

j) **Foreign Currencies**
Transactions and Balances
Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction. The Company's functional currency and reporting currency is same i.e. INR.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

k) **Fair Value Measurement**
The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

A **Non-derivative financial instruments**
Subsequent measurement

i) **Financial assets carried at amortised cost**
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) **Financial assets at fair value through other comprehensive income**
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii) **Financial assets at fair value through profit or loss**
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss

iv) **Financial liabilities**
Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently

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m) **Revenue Recognition**

Port Operations: Revenue from port operations including cargo handling, storage and other infrastructure facilities provided are recognized after the relevant activities are performed and the right to receive revenue is established. The revenue is recognised net of the revenue share payable to Mumbai Port Trust.

Interest Income

Interest income from financial asset is recognised using effective interest rate method.

n) **Taxes**

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country.Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

o) **Deferred Tax**

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

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

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

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

p) **Leases**

Operating lease

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

q) **Earning per share**

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

r) **Dividend Distribution**

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

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INDIRA CONTAINER TERMINAL PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

3 Property, Plant & Equipment

(Rs. in lacs)

Tangible assets	Land	Container yard	Office Premises	Furniture and Fixtures	Motor Car	Data Processing Equipment	Plant and Machinery	Office Equipment	Total
Cost or valuation									
At 1 April 2015	5.80	135.57	351.65	22.90	27.75	58.68	-	41.74	644.08
Additions	-	-	-	1.35	-	-	-	0.34	1.69
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2016	**5.80**	**135.57**	**351.65**	24.25	**27.75**	**58.68**	-	**42.09**	**645.77**
Additions	-	-	5.80	0.75	7.08	-	12.15	7.66	33.43
Disposals	-	-	-	-	4.84	-	-	-	4.84
At 31 March 2017	**5.80**	**135.57**	**357.45**	25.00	**29.98**	**58.68**	**12.15**	**49.74**	**674.36**
Depreciation									
At 1 April 2015	-	135.57	236.87	15.81	21.17	58.59	-	40.32	508.32
Charge for the year	-	-	35.27	2.19	5.77	0.09	-	0.81	44.13
	-	-							-
Disposals	-	-	-	-	-			-	-
At 31 March 2016	-	**135.57**	**272.14**	18.00	**26.94**	**58.68**	-	**41.13**	**552.45**
Charge for the year	-	-	35.56	2.37	1.27	-	0.75	1.89	41.84
	-								
Disposals	-	-	-	-	4.68		-		4.68
At 31 March 2017	-	**135.57**	**307.70**	20.36	**23.53**	**58.68**	**0.75**	**43.01**	**589.60**
Net Block									
As at April 1, 2015	**5.80**	-	**114.78**	7.09	**6.57**	**0.09**	-	**1.43**	**135.76**
At 31 March 2016	**5.80**	-	**79.51**	6.25	**0.80**	-	-	**0.96**	**93.33**
At 31 March 2017	**5.80**	-	**49.75**	4.63	**6.45**	-	**11.40**	**6.73**	**84.76**

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4 Other Intangible assets

(Rs. in lacs)

Particulars	Software	Port Rights	Total
Cost or valuation			
At 1 April 2015	48.65	2,500.00	2,548.65
Additions		-	-
At 31 March 2016	**48.65**	**2,500.00**	**2,548.65**
Additions		73,729.37	73,729.37
At 31 March 2017	**48.65**	**76,229.37**	**76,278.02**
Amortization			
At 1 April 2015	48.31		48.31
Charge for the year	0.27	-	0.27
Capitalised during the year		-	-
Charge for the year	-	-	-
At 31 March 2016	**48.58**	**-**	**48.58**
Charge for the period	0.07	2,722.93	2,723.00
		-	-
At 31 March 2017	**48.65**	**2,722.93**	**2,771.58**
Net Block			
As 1, April 2015	**0.34**	**2,500.00**	**2,500.34**
At 31 March 2016	**0.07**	**2,500.00**	**2,500.07**
At 31 March 2017	**-**	**73,506.44**	**73,506.44**

The Company has carried out the exercise of assessment of any indications of impairment to its fixed assets as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no impairment to its fixed assets during the year.

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Notes to Financial Statements for the year ended March 31, 2017
(All the amounts are Rs. in lacs unless otherwise stated)

5 **Intangible Asset under Development**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Construction cost	36,499.14	36,414.19	32,554.46
Finance cost	30,728.46	28,506.43	21,203.30
License fees	2,728.87	2,728.87	1,954.11
Legal and professional expenses	1,616.59	1,616.59	1,612.59
Other administrative expenses	2,047.38	2,073.71	1,913.52
Depreciation	108.93	108.93	108.93
Total	**73,729.37**	**71,448.72**	**59,346.91**
Less: Capitalized during the year	(73,729.37)	-	-
Total intangible assets under development	-	**71,448.72**	**59,346.91**

Project Details:

Pursuant to detailed negotiation with MbPT on the concession agreement for the Offshore Container Terminal, the parties have finally agreed in principal to enter into a joint supplementary agreement between Board of Trustees of MbPT, Company and the lenders. The supplementary agreement in the draft form and is subject to clearance from the Ministry of Shipping.

The salient features of the Supplementary Agreement are:

i The project will go for a re-bid for the operations of the facility to handle container, steel and RORO at the berth.

ii The Licensor shall provide 21.25 hectares to the new licensee

iii If the Licensor receives any bid quoting higher Revenue Share from any entity other than the Licensee, then, the Licensee will be provided 30 (thirty) days' time from the Bid Due Date (as to be defined in the bidding documents for the Modified Project Works) to match the highest bid received by the Licensor ("RoFR"). Pursuant to the completion of such bidding process, if the Modified License Agreement is executed with the company then the company will pay the Revenue Share and all other amounts as per the terms of the Modified License Agreement.

iv In case the Company does not win the bid, it will be entitled to a fixed amount of compensation along with waiver of the interest from the banks.

v The Company will also be entitled to initiate arbitration proceedings in the matter with MbPT

vi The cash flows on not winning the bid would be sufficient to discharge the liability of the company towards the lenders , Mbpt and other creditors and the concession would be foreclosed.

vii The management is hopeful of winning the arbitration as it has all sufficient documentation to support its claim

viii In case the Company successfully wins the Re-bid and enters into the fresh Modified License Agreement, the Company would be required to repay to the lenders an agreed amount of Rs 477.11 Crores ("Principal debt amount")

ix In case the Company is unable to repay the agreed amount of Rs 477.11 Crores, then the original terms of the lending agreement would apply and the lenders would have a right to take any recourse for recovery of their dues as per the original agreement. The management is hopeful that it will successfully match the bid and win the concession and continue to operate the facility.

During the year, the Company has finally decided to capitalize the expenditure as intangible asset being the right to operate the berth facility for a fee. This was done pursuant to the ongoing negotiations and discussions around the fact that the project could not be commissioned as per the oriinal plan. Accordingly, the amortization of the intangible asset has started during the year alongwith cessation and capitalization of interest during the construction period

IndAS Basis:

IND AS 11 Appendix A and Appendix B of "Service Concession Arrangements " is applicable to the Company since the Company is operator of public-to-private service concession arrangements with MbPT

ICTPL has recognised an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service.

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6 Financial Assets

6.1 Trade Receivables

Particulars	As at March 31,2017	As at March 31,2016	As at April 1, 2015	As at March 31,2017	As at March 31,2016	As at April 1, 2015
		Non - Current			Current	
Unsecured						
Considered Good	-	59.91	59.44	503.79	848.68	0.00
Considered Doubtful	-	-	-	9.23	9.23	9.23
Less: Provision for doubtful debts	-	-	-	9.23	9.23	9.23
Total Trade Receivables	**-**	**59.91**	**59.44**	**503.79**	**848.68**	**0.00**

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analyzed. The Company has no history of defaults and therefore no provision towards expected credit loss is made.

6.2 Financial Assets - Loans & Advances

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
		Non- Current			Current	
Margin Money Deposit	100.00	100.00	100.00	-	-	-
Advance to employees	-	-	-	0.01	3.01	3.01
Deposits	5.18	5.12	5.12	-	-	-
Total	105.18	105.12	105.12	0.01	3.01	3.01

Margin money deposit of 100 lacs (Previous year 100 lacs) towards a Performance Bank Guarantee issued on behalf of the Company from the non-fund based limits of Gammon Infrastructure Projects Limited in favour of MbPT as required in the L.A. The margin money deposit carries an interest of 6% p.a.

6.3 Financial Assets - Others

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
		Non - Current			Current	
Deposits with scheduled bank (including accrued interest)	28.39	27.16	26.19	-	-	-
Interest Accrued & receivable from:						
Gammon India Limited	-	-	-	11.90	11.90	11.90
Gammon Infrastructure Projects Limite	-	-	-	42.22	36.82	31.42
Total	28.39	27.16	26.19	54.12	48.72	43.32

6.4 Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
		Non - current			Current	
Balances with banks :						
Balances with scheduled banks in curre	-	-	-	1,618.20	632.41	13.33
Cash on hand	-	-	-	0.08	0.08	0.24
Total	-	-	-	1,618.29	632.50	13.57

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

Disclosure of Specified Bank Notes (SBNs)

The company has not deposited any Specified Bank Notes (SBNs) as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 during the period from 8th November 2016 to 30th December 2016. The denomination wise other notes as per the notification is given below:

(Rs. In full figures)

Particulars	SBNs(*)	Other Denomination Notes	Total
Closing cash on hand as on 08 Nov 2016	-	8,280	8,280
(+) Non Permitted receipts	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amounts Deposited in Banks	-	-	-
Closing cash on hand as on 30 Dec 2016	-	8,280	8,280

* For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated 8th November, 2016

7 **Other Assets**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
		Non - Current			Current	
Advances recoverable in cash or in Kind				-	-	-
Considered doubtful	14.81	14.81	14.81			
Less: Provision for doubtful debts	14.81	14.81	14.81			
	-	-	-			
Advance taxes (net of provisions)	201.13	44.72	52.42	-	-	-
Advances towards capital expenses	0.20	51.04	0.20	-	-	-
Capital Advance to GIL	1,326.95	1,326.95	1,326.95	-	-	-
Prepaid Expenses				5.78	6.47	0.82
Prepaid Upfront Fees	157.80	201.04	248.97			
Gratuity excess of assets over liabilities				-	-	0.94
Service Tax recoverable	-	-	-	22.97	15.66	69.31
Total	**1,686.07**	**1,623.75**	**1,628.54**	**28.75**	**22.13**	**71.07**

The Company signed an EPC contract with Gammon India Limited for construction of the OCT project on December 20, 2008. As required in the contract the Company is required to pay mobilisation advance towards the said contract which is to be recovered progressively from the bills presented by the EPC contractor. The balance amount of the said mobilisation advance to be recovered from Gammon India Limited stands at 1326.95 lacs (Previous year 1326.95 lacs).

8 **Equity Share Capital**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorised Shares:	12,000.00	12,000.00	12,000.00
March 31, 2017: 12,00,00,000 shares March 31, 2016: 12,00,00,000 shares April 1, 2015: 12,00,00,000 shares Rs.10/- each			
Issued, Subscribed & Paid-up:	10,156.60	10,156.60	10,156.60
March 31, 2017: 10,15,66,000 shares March 31, 2016: 10,15,66,000 shares April 1, 2015 : 10,15,66,000 shares Rs.10/- each			

Reconciliation of the equity shares outstanding at the beginning and at the end of the period

Particulars	March 31,2017 Number	March 31,2017 Amount	March 31,2016 Number	March 31,2016 Amount	April 1,2015 Number	April 1,2015 Amount
Balance at beginning of the period	101,566,000	10,156.60	101,566,000	10,156.60	101,566,000	10,156.60
Issued during the period	-	-	-	-	-	-
Balance at end of the period	**101,566,000**	**10,156.60**	**101,566,000**	10,156.60	**101,566,000**	**10,156.60**

i. **Terms/rights attached to equity shares:**

The Company has only one class of shares ie equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders

ii. **Details of registered shareholders holding more than 5% equity shares in the Company:**

Shareholders	March 31,2017	March 31,2017	March 31,2016	March 31,2016	April 1,2015	April 1,2015
Equity shares of Rs 10 each paid up	Number	% of holding	Number	% of holding	Number	% of holding
Gammon India Limited	26,407,160	26%	26,407,160	26%	26,407,160	26%
Gammon Infrastructure Projects Limited	24,375,840	24%	24,375,840	24%	24,375,840	24%
Noatum Ports Sociedad Limitada	50,783,000	50%	50,783,000	50%	50,783,000	50%
Total	101,566,000	100%	101,566,000	100%	101,566,000	100%

In addition to the registered holding described above, Gammon Infrastructure Projects Limited also holds beneficial interest in shares of the Company as described in note 6(iii) below.

iii. **Beneficial interest in equity shares held by Gammon Infrastructure Projects Limited from registered share holders:**

Name of registered holder	March 31,2017 Number	March 31,2017 Amount	March 31,2016 Number	March 31,2016 Amount	April 1,2015 Number	April 1,2015 Amount
Equity shares of Rs 10 each paid up						
Gammon India Limited	26,407,160	2,640.72	26,407,160	2,640.72	26,407,160	2,640.72
Total	**26,407,160**	**2,640.72**	**26,407,160**	**2,640.72**	**26,407,160**	**2,640.72**

On April 6, 2017, the holding company, Gammon Infrastructure Projects Limited has purchased the company's shares from M/s Noatum Ports Sociedad Unipersonal SLU, thus increasing its holding from 50% to 74%

9 **Other Equity**

Name of registered holder	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
i) Other Reserves			
Other Comprehensive Income (OCI)	0.80	0.29	(1.17)
ii) Retained Earnings	(8,342.96)	(3,202.78)	(4,602.92)
iii) Capital Contribution			
Inter-Corporate Loan received from GIPL	3,722.47	3,722.47	3,603.51
Balance at the end of the year	(4,619.70)	519.98	(1,000.57)

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10 **Financial Liabilities**

10.1 **Borrowings**

Particulars	As at March 31, 2017	As at March 31, 2016 Non - current	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016 Current Maturities	As at April 1, 2015
Indian rupee term loans from banks	-	24,497.66	31,192.38	38,095.25	12,398.07	5,703.36
Indian rupee loans from a financial instit	-	6,486.59	7,606.00	9,616.00	3,040.00	1,670.59
Total	**-**	**30,984.25**	**38,798.38**	**47,711.25**	**15,438.07**	**7,373.94**

a) The above term loan is secured by:

i) first mortgage and charge by way of English mortgage on the immovable property, both present and future:

ii) first charge by way of hypothecation on all tangible movable assets, both present and future;

iii) a first floating charge on receivables ;

iv) first charge on all intangible assets, both present and future;

v) pledge of equity share of the company aggregating to 51% of the paid up and voting equity share capital.

b) The balance term loan is repayable by December, 2024 in quarterly instalments. The amount of repayment is determined as a percentage of original loan amount ranging from 0.125% to 3% of the loan in respect of each instalment.

c) The interest rate applicable to the Company is the highest of the rates individually determined by each member of the lenders consortium. All lenders determine the interest rate at their respective Bank Prime Lending rate less 100-125 basis points. The interest rate as on the date of these financials was 13.25% p.a.

d) During the year, the company has taken a stand that repayments made by the company will be allocated first towards interest and then towards principle, thus reversing its earlier stand taken. Interest accrued during the year has thus increased by Rs.113.91 lacs.

e) The Company has defaulted in repayment of term loan to the extent of Rs.31,500.79 lacs as at March 31, 2017 and is a Non-Performing Asset (NPA) as far as banks and financial institutions are concerned and accordingly entire loan is shown as current asset.

f) As per the License Agreement signed with the client Mumbai Port Trust (MbPT), certain obligations were required to be completed by MbPT at various sites of the project and hand over these partially developed sites to the Company for carrying out further development work. These included capital dredging at the berth pockets, approach channel and turning circle, filling of Princess and Victoria docks, etc. MbPT till date has not completed these activities. Due to this, there has been a long delay in commencing container operations by over 5 years. The continuing delays has resulted in the lenders classifying the asset as a non performing asset. Till date, even though the Company has not drawn the full debt as sanctioned by the consortium of lenders and has not commenced the envisaged container operations, the Company was required to commence repaying the principal amount of loan instalments. Though one of the sponsor's of the Company, GIPL, has infused funds to meet part of the lenders obligations of the Company, the same was not financially sustainable over a long period. This has resulted in the Company defaulting on the payment of loan instalments on the due dates.

g) **Continuing Default Disclosure**
As on March 31, 2017

Name of the Bank	Aeging	Amount	Facility	Nature of payment
Canara Bank	1 - 90 days	592.27	Term Loan	Principal
Canara Bank	91 - 180 days	280.67	Term Loan	Principal
Canara Bank	181- 365 days	900.58	Term Loan	Principal
Canara Bank	> 365 days	2,216.48	Term Loan	Principal
Punjab & Sindh Bank	1 - 90 days	564.07	Term Loan	Principal
Punjab & Sindh Bank	91 - 180 days	267.30	Term Loan	Principal
Punjab & Sindh Bank	181- 365 days	857.69	Term Loan	Principal
Punjab & Sindh Bank	> 365 days	2,392.97	Term Loan	Principal
Central Bank	1 - 90 days	516.12	Term Loan	Principal
Central Bank	91 - 180 days	244.58	Term Loan	Principal
Central Bank	181- 365 days	784.79	Term Loan	Principal
Central Bank	> 365 days	1,931.51	Term Loan	Principal
United Bank of India	1 - 90 days	168.10	Term Loan	Principal
United Bank of India	91 - 180 days	79.25	Term Loan	Principal
United Bank of India	181- 365 days	255.43	Term Loan	Principal
United Bank of India	> 365 days	712.34	Term Loan	Principal
IIFCL	1 - 90 days	89.41	Term Loan	Principal
IIFCL	91 - 180 days	752.94	Term Loan	Principal
IIFCL	181- 365 days	451.76	Term Loan	Principal
IIFCL	> 365 days	1,745.88	Term Loan	Principal
		15,804.15		

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Canara Bank	1 - 90 days	520.52	Term Loan	Interest
Canara Bank	91 - 180 days	519.34	Term Loan	Interest
Canara Bank	181- 365 days	994.91	Term Loan	Interest
Canara Bank	> 365 days	1,525.69	Term Loan	Interest
Punjab & Sindh Bank	1 - 90 days	509.92	Term Loan	Interest
Punjab & Sindh Bank	91 - 180 days	508.64	Term Loan	Interest
Punjab & Sindh Bank	181- 365 days	974.17	Term Loan	Interest
Punjab & Sindh Bank	> 365 days	2,083.14	Term Loan	Interest
Central Bank	1 - 90 days	451.88	Term Loan	Interest
Central Bank	91 - 180 days	450.87	Term Loan	Interest
Central Bank	181- 365 days	863.77	Term Loan	Interest
Central Bank	> 365 days	1,994.24	Term Loan	Interest
United Bank of India	1 - 90 days	152.62	Term Loan	Interest
United Bank of India	91 - 180 days	152.23	Term Loan	Interest
United Bank of India	181- 365 days	291.52	Term Loan	Interest
United Bank of India	> 365 days	745.80	Term Loan	Interest
IIFCL	1 - 90 days	380.21	Term Loan	Interest
IIFCL	91 - 180 days	379.48	Term Loan	Interest
IIFCL	181- 365 days	727.35	Term Loan	Interest
IIFCL	> 365 days	1,470.33	Term Loan	Interest
		15,696.64		

As on March 31, 2016

Name of the Bank	Aeging	Amount	Facility	Nature of payment
Canara Bank	1 - 90 days	498.75	Term Loan	Principal
Canara Bank	91 - 180 days	219.27	Term Loan	Principal
Canara Bank	181- 365 days	703.58	Term Loan	Principal
Canara Bank	> 365 days	794.88	Term Loan	Principal
Punjab & Sindh Bank	1 - 90 days	475.00	Term Loan	Principal
Punjab & Sindh Bank	91 - 180 days	208.83	Term Loan	Principal
Punjab & Sindh Bank	181- 365 days	670.07	Term Loan	Principal
Punjab & Sindh Bank	> 365 days	1,039.06	Term Loan	Principal
Central Bank	1 - 90 days	434.63	Term Loan	Principal
Central Bank	91 - 180 days	191.08	Term Loan	Principal
Central Bank	181- 365 days	613.12	Term Loan	Principal
Central Bank	> 365 days	692.68	Term Loan	Principal
United Bank of India	1 - 90 days	141.56	Term Loan	Principal
United Bank of India	91 - 180 days	61.91	Term Loan	Principal
United Bank of India	181- 365 days	199.55	Term Loan	Principal
United Bank of India	> 365 days	309.31	Term Loan	Principal
IIFCL	1 - 90 days	75.29	Term Loan	Principal
IIFCL	91 - 180 days	588.24	Term Loan	Principal
IIFCL	181- 365 days	352.94	Term Loan	Principal
IIFCL	> 365 days	729.41	Term Loan	Principal
		8,999.18		
Canara Bank	1 - 90 days	477.42	Term Loan	Interest
Canara Bank	91 - 180 days	469.75	Term Loan	Interest
Canara Bank	181- 365 days	890.67	Term Loan	Interest
Canara Bank	> 365 days	991.89	Term Loan	Interest
Punjab & Sindh Bank	1 - 90 days	467.27	Term Loan	Interest
Punjab & Sindh Bank	91 - 180 days	459.70	Term Loan	Interest
Punjab & Sindh Bank	181- 365 days	871.57	Term Loan	Interest
Punjab & Sindh Bank	> 365 days	1,087.04	Term Loan	Interest
Central Bank	1 - 90 days	414.58	Term Loan	Interest
Central Bank	91 - 180 days	407.93	Term Loan	Interest
Central Bank	181- 365 days	773.47	Term Loan	Interest
Central Bank	> 365 days	868.37	Term Loan	Interest
United Bank of India	1 - 90 days	139.86	Term Loan	Interest
United Bank of India	91 - 180 days	137.58	Term Loan	Interest
United Bank of India	181- 365 days	260.85	Term Loan	Interest
United Bank of India	> 365 days	347.32	Term Loan	Interest
IIFCL	1 - 90 days	385.76	Term Loan	Interest
IIFCL	91 - 180 days	379.43	Term Loan	Interest
IIFCL	181- 365 days	719.36	Term Loan	Interest
IIFCL	> 365 days	579.41	Term Loan	Interest
		11,129.22		

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10.2 **Trade Payables**

Particulars	As at March 31, 2017	As at March 31, 2016 Non - current	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016 Current	As at April 1, 2015
Trade Payables						
- Micro, Small and Medium Enterprises				-	-	-
- Other				740.38	885.52	10.86
Total		-	-	**740.38**	**885.52**	**10.86**

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

As per the information available with the Company, there are no micro, small, and medium enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal or interest.

The above information regarding micro, small, and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

10.3 **Other Financial Liabilities**

Particulars	As at March 31, 2017	As at March 31, 2016 Non - current	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016 Current	As at April 1, 2015
Amounts payable to related parties						
Gammon India Limited		-	-	1,087.46	1,183.57	652.19
Gammon Infrastructure Projects Limited		-	-	135.72	279.91	225.67
Noatum Ports Sociedad Limitada Unipersonal SLU		-	-	47.13	47.13	47.13
Others						
Capital Creditors		-	-	-	-	32.15
Interest accrued payable						
Interest payable to related parties:						
Gammon Infrastructure Projects Limited		-	-	247.50	247.50	247.50
Others:						
Interest accrued and due to Banks and Financial Institutions		-	-	15,696.64	11,129.22	5,057.01
Salary and bonus payable		-	-	2.13	0.58	-
Others		-	-	0.02	0.02	0.02
Accrued Expenses				6,348.76	6,434.78	2,327.43
Total		-	-	**23,565.35**	**19,322.70**	**8,589.10**

11 **Provisions**

Particulars	As at March 31, 2017	As at March 31, 2016 Non - current	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016 Current	As at April 1, 2015
Provision for gratuity	7.92	6.62	-	0.18	0.15	-
Provision for leave encashment	6.51	3.15	3.89	0.14	1.93	0.08
Provision for tax (Net of taxes paid)	-	-	-	-	22.93	-
Total	**14.43**	**9.77**	**3.89**	**0.31**	**25.00**	**0.08**

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

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a) Gratuity:

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

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

I The amount recognised in he balance sheet and the movements in the net defined benefit obligation over the year is as follow

Particulars	As at March 31, 2017 (Rs.) Gratuity (Un- Funded)	As at March 31, 2016 (Rs.) Gratuity (Un- Funded)
a) Reconciliation of opening and closing balances of Defined benefit Obligation		
Defined Benefit obligation at the beginning of the year	6.77	6.70
Current Service Cost	1.31	1.01
Interest Cost	0.52	0.52
Actuarial (Gain) /Loss	(0.51)	(1.46)
Past employees Service	-	-
Benefits paid	-	-
Defined Benefit obligation at the year end	**8.10**	**6.77**
b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair Value of plan assets at the beginning of the year	-	-
Expected return on Plan Assets	-	-
Actuarial Gain/ (Loss)	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at the year end	-	-
Actual Return on Plan Assets	-	-
c) Reconciliation of fair value of assets and obligations		
Fair Value of Plan Assets	-	-
Present value of Defined Benefit obligation	8.10	6.77
Liability recognized in Balance Sheet	**8.10**	**6.77**
d) Expenses recognized during the year (Under the head " Employees Benefit Expenses)		
Current Service Cost	1.31	1.01
Interest Cost	0.52	0.52
Expected Rate of return on Plan Assets	-	-
Past employees Service	-	-
Actuarial (Gain)/Loss	(0.51)	(1.46)
Net Cost	**1.33**	**0.07**

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ii **Actuarial assumptions**

Particulars	As on March 31, 2017 (Rs.)	As on March 31, 2016 (Rs.)
Mortality Table (LIC)	Gratuity 2006-08 (Ultimate)	Gratuity 2006-08 (Ultimate)
Discount rate (per annum)	7.50%	7.75%
Expected rate of return on Plan assets (per annum)	NA	NA
Rate of escalation in salary (per annum)	5%	5%
Withdrawal rate:		
- upto age of 34	3%	3%
- upto age of 35-44	2%	2%
- upto age 45 & above	1%	1%
Retirement age	60 years	60 years

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

There is no minimum funding requiremnt for a gratuity plan in india and there is no compulsion on the part of the company fully or partialy

III **Sensitivity analysis**

A quantitative Sensitivity analysis for significant assumption as at 31 st march 2017

	Discount	Salary growth
Change in assumption		
March 31, 2017	1%	1%
March 31, 2016	1%	1%
Increase in assumption		
March 31, 2017	0.79	0.80
March 31, 2016	0.67	0.68
Decrease in assumption		
March 31, 2017	(0.68)	(0.70)
March 31, 2016	(0.58)	(0.60)

12 **Other Non-Financial Liabilities**

Particulars	As at March 31, 2017	As at March 31, 2016 Non - current	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016 Current	As at April 1, 2015
Advance from customers				14.25	12.92	-
Statutory liabilities				32.91	58.28	0.98
Total	-	-	-	47.16	71.20	0.98

13 **Revenue from operations**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from Construction	460.60	4,794.39
Income from RORO operations and Wharfage charges	3,607.56	1,837.69
Total	4,068.16	6,632.07

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

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

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

(b) **Obligations of Operations and maintenance**
The Company is required to carry out operations and maintenance on the berth annually with an obligation to carry out Period maintenance in terms of the Concession at regular intervals

(c) **Changes to the Concession during the period**
During the year, the Company has finally decided to capitalize the expenditure as intangible asset being the right to operate the berth facility for a fee. This was done pursuant to the ongoing negotiations and discussions around the fact that the project could not be commissioned as per the oriinal plan. The concession period may get revived after the finalization of the Supplementary Agreement

(d) **Classification of the Concession**
The Company has applied the principles enumerated in Appendix A of Ind AS – 11 titled "Service Concession Arrangement" and has classified the arrangement as a OCT arrangement resulting in recognition of an Intangible Asset. Revenue is recognised during the construction period as revenue from construction services with the corresponding debit to Intangible assets under development. Revenue is recognised on cost plus margin basis.

(e) **Recognition of Construction services revenue and costs:**

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue	460.60	4,794.39
Costs	456.04	4,746.92
Profit/ margin earned	**4.56**	**47.47**

14 **Other Income**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income on Financial Asset at amortised cost		
- From GIPL	6.00	6.00
- On Fixed Deposit	1.36	1.09
Sundry Balances written back	0.44	-
Profit on Sale of Assets	0.04	-
Miscellaneous Income	-	0.15
Total	**7.84**	**7.23**

15 **Construction Cost**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sub-contracting expenses	80.40	3,852.26
License fees	361.97	774.77
Legal and professional expenses	-	4.00
Other administrative expenses	13.67	115.89
Total	**456.04**	**4,746.92**

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16 **Personnel Expenses**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, allowances and bonus	101.10	85.63
Contribution to provident fund	5.56	4.35
Other benefits including Gratuity, Leave encashment, superannuation and other funds.	8.40	11.06
Staff welfare expenses	6.95	1.01
Total	**122.01**	**102.06**

17 **Finance Cost**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on delayed payment of TDS	11.59	-
Interest on financial liabilities at amortised cost	5,584.93	-
Total	**5,596.52**	-

18 **Depreciation & Amortization**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation	41.91	44.39
Amortization	2,722.93	-
Total	**2,764.84**	**44.39**

19 **Other Expenses**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Repairs and maintenance	5.92	8.57
Stevedoring charges	35.90	36.93
Operational expenses	21.81	12.64
Vehicle Expenses	6.95	4.33
Insurance expense	17.50	11.68
Safety equipments	0.10	0.48
Business promotion	-	0.11
Electricity expenses	18.31	15.72
Office expenses	6.55	8.09
Printing and stationery	2.39	0.52
House keeping	2.62	1.19
Water charges	4.87	2.46
Security charges	17.10	13.15
Swachh Bharat Cess	23.63	6.76
Communication costs	5.50	2.80
Legal and professional fees	63.02	15.73
Fees to Director	20.00	-
Motor car expenses	1.92	1.04
Travelling expenses	6.42	2.17
Bank charges	0.14	0.16
Lease Rentals	-	98.08
Remuneration to Auditor :		
Audit fees incl. tax audit	9.53	4.00
Certification and Other services	4.60	-
Other Miscelleneous Expenses	1.96	-
Statutory expenses	0.06	10.18
Total	**276.78**	**256.79**

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20 **Reconciliation of statutory rate of tax and effective rate of tax:**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current taxes	-	83.00
Minimum Alternate Tax	-	-
	-	**83.00**
Accounting profit before income tax	(5,140.19)	1,489.15
At India's statutory income tax rate	30.90%	30.90%
Tax rate as per 115JB	19.06%	19.06%
Tax on profit as per 115JB	-	283.76
Effect of deductible expenses and set	-	193.22
Ind As adjustments	-	7.60
Others	-	(0.06)
Tax	-	83.00
Tax Rounded Off	-	**83.00**

21 **Earnings per share ('EPS')**

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit during the year	(5,140.19)	1,400.14
Outstanding number of equity shares (Nos.)	101,566,000	101,566,000
Weighted average number of equity shares in calculated EPS (Nos)	101,566,000	101,566,000
Nominal value of equity share	10.00	10.00
Basic EPS -(Rs)	(5.06)	1.38
Diluted EPS -(Rs)	(5.06)	1.38

Reconciliation of weighted number of outstanding during the period:

Particulars	12 months period ended March 31, 2017 (Rs. In lacs)	12 months period ended March 31, 2016 (Rs. In lacs)
Nominal Value of Equity Shares (Rs per share)	10.00	10.00
For Basic EPS :		
Total number of equity shares outstanding at the beginning of the period	101,566,000	101,566,000
Add : Issue of Equity Shares	-	-
Total number of equity shares outstanding at the end of the period	101,566,000	101,566,000
Weighted average number of equity shares at the end of the period	101,566,000	101,566,000

Company has not issued any instrument which will dilute the earing elog to equity shareholders, therefore Basic EPS and Diluted EPS both are the same.

22 **Capital and other commitments**

Particulars	As on 31.03.2017 (Rs.)	As on 31.03.2016 (Rs.)	As on 01.04.2015 (Rs.)
Commitments :			
Capital commitment	46,347.62	48,656.86	60,760.36
	46,347.62	**48,656.86**	**60,760.36**

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23 **Contingent Liabilities**

The Board of Trustees of MbPT have allowed alternate use of the OCT for Ro-Ro operations on trial basis with the assumption that the company will charge 1.3 times the rate of MbPT Schedule of Rates (SOR) for alternate use of the OCT berth. The company has however, charged 1.3 times for berth hire charges and the wharfage is being charged as per MbPT SOR. The contingent liability on account of these wharfage charges is Rs.1,610.87 lacs (Previous Year: 540.34 lacs)

Lease rentals payable to MbPT during the year are Rs.492.15 lacs have not been provided based on the draft supplementary agreement being entered into by the Company with MbPT and the lenders

24 **Disclosure in accordance with Ind AS – 17 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.**

Operating Lease:
The Company has taken offices premisesunder leave and license agreements. It is under 3 years leave and license basis. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits. The lease payments are recognized in the Statement of Profit and Loss under Rent account

25 **Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules,**
The Company's operations comprise only a single business and geographical segment, namely the port services in Maharashtra, India as per Ind AS 108, hence no segment disclosure is required

26 **Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015**

a) **Names of the related parties and related party relationships**
Related parties where control exists :
1. Gammon India Limited, joint venture partner
2. Gammon Infrastructure Projects Limited, joint venture partner
3. Noatum Ports Sociedad Limitada Unipersonal SLU,

b) **Related party transactions and outstanding balance**
The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year and the outstaning balances at year end:

i)

EPC and other costs		Transactions during the year		Closing Balance	
Related party	**Year Ended**	**Contract expenses**	**Reimburseme nt of expenses**	**Mobilization Advances Given**	**Amount Payable**
Gammon India Limited	March 31, 2017	(61.99)	34.13	1,326.95	1,087.46
	March 31, 2016	(3,675.34)	(44.61)	(1,326.95)	(1,183.57)
(IGAAP Transaction Value)					
Gammon Infrastructure Projects Limited	March 31, 2017	-	(144.19)	-	135.72
	March 31, 2016	-	(54.24)	-	(279.91)
(IGAAP Transaction Value)					
Noatum Ports Sociedad Limitada Unipersonal SLU	March 31, 2017	-	-	-	47.13
	March 31, 2016	-	-	-	(47.13)
(IGAAP Transaction Value)					

ii)

Deposits Given Related Party	Year ended	Interest Income during the year	Total Deposit and interest outstanding
Gammon Infrastructure Projects Limited	March 31, 2017	6.00	142.22
	March 31, 2016	(6.00)	(136.82)
(IGAAP Transaction Value)			
Gammon India Limited	March 31, 2017	-	11.90
	March 31, 2016	-	(11.90)
(IGAAP Transaction Value)			

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iii)

Borrowings - Related Party	Year ended	Loan Taken during the year	Loan Repaid during the year	Interest Expense during the year	Total Loan and Interest outstanding
Gammon Infrastructure Projects Limited	March 31, 2017	-	-	-	3,722.47
	March 31, 2016	(125.50)	(6.54)	-	(3,722.47)
(IGAAP Transaction Value)					

iv) **Interest Expense**

Related party	Year ended	Outstanding Balance payable
Gammon Infrastructure Projects Limited	March 31, 2017	247.50
	March 31, 2016	(247.50)
(IGAAP Transaction Value)		

27 **Derivative Instruments and Unhedged Foreign Currency Exposure**

There are no derivative instruments outstanding as on March 31, 2017 and as on March 31, 2016. The Company has no foreign currency exposure towards liability outstanding as on March 31, 2017 and as on March 31, 2016.

28 **Significant Accounting judgements, estimates & 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. Uncertainity about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods .

Judgements

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

Taxes

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

Defined benefit plans (gratuity benefits)

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

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

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

29 **First-time adoption of Ind AS**

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the twelve months period ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the twelve months period ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2015 and the financial statements as at and for the twelve months period ended 31 March, 2016.

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INDIRA CONTAINER TERMINAL PRIVATE LIMITED
CIN: U63032MH2007PTC174100
Notes to Financial Statements for the year ended March 31, 2017

30 A Effect of IND AS adoption on the Balance Sheet as on March 31 ,2016 and April 1, 2015 (Rs. In lacs)

Particulars	Note Ref	As at March 31, 2016 Previous GAAP	Effect of Transition to IND AS	IND AS	As at April 1, 2015 Previous GAAP	Effect of Transition to IND AS	IND AS
(1) Non-current assets							
(a) Property, Plant and Equipment		93.33	0.00	93.33	135.76	-	135.76
(b) Other Intangible assets		2,500.07	0.00	2,500.07	2,500.34	-	2,500.34
(c) Intangible Assets Under Development	(a)	71,228.57	220.15	71,448.72	59,222.16	124.75	59,346.91
(d) Financial Assets				-			-
(i) Trade receivables		59.91	-	59.91	59.44	-	59.44
(ii) Loans		105.12	-	105.12	105.12	-	105.12
(iii) Others		27.16	-	27.16	26.19	-	26.19
(e) Other Non-current assets	(a)	1,422.71	201.04	1,623.75	1,379.57	248.97	1,628.54
(2) Current Assets							
(a) Financial Assets							
(i) Trade receivables		848.68	-	848.68	0.00	-	0.00
(ii) Cash and cash equivalents		632.50	-	632.50	13.57	-	13.57
(iii) Loans		3.01	-	3.01	3.01	-	3.01
(iv) Others		48.72	-	48.72	43.32	-	43.32
(b) Other current assets		22.13	-	22.13	71.07	-	71.07
Total Assets		**76,991.89**	**421.19**	**77,413.08**	**63,559.53**	**373.72**	**63,933.26**
EQUITY & LIABILITIES							
Equity							
(a) Equity Share capital		10,156.60	-	10,156.60	10,156.60	-	10,156.60
(b) Other Equity	(a), (b), (c)	(3,617.55)	4,137.52	519.98	(4,977.81)	3,977.23	(1,000.57)
Liabilities							
Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings		34,706.72	(3,722.47)	30,984.25	42,401.89	(3,603.51)	38,798.38
(b) Provisions	(c)	3.64	6.13	9.77	3.89	-	3.89
Current liabilities							
(a) Financial Liabilities							
(i) Borrowings	(b)	15,438.07	-	15,438.07	7,373.94	-	7,373.94
(ii) Trade payables		885.52	-	885.52	10.86	-	10.86
(iii) Other financial liabilities		19,322.70	-	19,322.70	8,589.10	-	8,589.10
(b) Other current liabilities		71.20	-	71.20	0.98	-	0.98
(c) Provisions	(c)	25.00	0.00	25.00	0.08	-	0.08
Total Equity and Liabilities		**76,991.89**	**421.19**	**77,413.08**	**63,559.53**	**373.72**	**63,933.26**

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B Effect of IND AS adoption on the Statement of Profit & Loss Account for the year ended March 31, 2016

	Particulars	Note Ref	Previous GAAP (Rs.in lacs)	Effect of Transition to IND AS (Rs.in lacs	IND AS (Rs.in lacs)
I	Revenue from Operations (Gross):				
a)	Revenue from Operations	(a)	1,837.69	4,794.39	6,632.07
b)	Other Operating Revenue		-	-	-
	Revenue from Operations		1,837.69		6,632.07
II	Other Income		7.23	-	7.23
III	Total Revenue (I + II)		1,844.92	-	6,639.31
IV	Expenses:				
	Construction Cost	(a)	-	4,746.92	4,746.92
	Personnel Expenses	(c)	94.47	7.59	102.06
	Depreciation & amortization		44.39	-	44.39
	Other Expenses		256.79	-	256.79
	Total Expenses		395.65		5,150.16
V	Profit Before exceptional and extraordinary items and Tax (III-IV)		1,449.27	39.88	1,489.15
X	Tax Expense				
	1. Current Tax		83.10	-	83.10
	2. Short Provision for Tax		5.91	-	5.91
	2. MAT Credit Entitlement		-	-	-
XV	Profit for the period (XIV+XI)		1,360.26	39.88	1,400.14
	Other Comprehensive Income				
	Remeasurement of defined benefit plans	(c)	-	1.46	1.46
	Total Comprehensive Income		**1,360.26**	**41.33**	**1,401.60**

C Reconciliation of total equity

Particulars	Note Ref.	As on March 31, 2016	As on April 1, 2015
Total equity / shareholders' funds under previous GAAP		**6,539.05**	**5,178.79**
Adjustment on account of Ind AS			
Margin on construction cost	(a)	421.19	373.72
Unsecured loan from GIPL considered as capital contribution	(b)	3,722.47	3,603.51
Other comprehensive income/(loss) for the year on account of gratuity	(c)	0.29	(1.17)
Other Expenses- Employee Cost	(c)	(6.42)	1.17
Total adjusted equity		**10,676.58**	**9,156.03**
Total equity under Ind AS		**10,676.58**	**9,156.03**

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D Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

Notes to effect of First Time Adoption

(a) The Company has applied IND AS 11 " Service Concession Arrangement" retrospectively and thus Construction Margin is booked on the EPC cost. Intangible Asset and Reserves have been increased to that extent. Amount recognised as at April 1, 2015 is Rs 373.72 lacs and Rs 421.19 lacs as at March 31, 2016.

As per IND AS 109 " Financial Instruments" , the Company has accounted its liability at amortised cost and therefore the upfront fees paid to the bankers are recognised in the financials at amortised cost.

(b) The Company has classified Loan from Shareholders as Quasi Equity as per IND AS 32 " Financial Liabilities and Equity" and thus the same is added in Capital Contribution in Other Equity. Capital Contribution as at April 1, 2015 is Rs 3603.51 lacs and Rs 3722.47 lacs as at March 31, 2016.

(c) Under Ind AS, remeasurements i.e. actuarial gains and losses , excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Accordingly loss of Rs .17 lacs has been adjusted in other comprehensive income from retained earnings as at April1, 2015 and gain of Rs 0.29 lacs as at March 31, 2016. As a result of this change, the retained earnings as at April 1, 2015 and profit for the year ended March 31, 2016 has been adjusted.

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31 **Standards issued but not yet effective**

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

Amendment to Ind AS 7:

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

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

Amendment to Ind AS 102:

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

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

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

32 **Financial Instruments**

The carrying value and fair value of financial instruments by categories as at March 31, 2017, March 31, 2016 and April 1, 2015 is as follo

Particulars	Carrying value March 31, 2017	March 31, 2016	April 1, 2015	Fair Value March 31, 2017	March 31, 2016	April 1, 2015
Financial Assets						
Amortized Cost						
Loans and advances	105.19	108.12	108.12	105.19	108.12	108.12
Trade receivables	503.79	908.59	59.44	503.79	908.59	59.44
Cash and bank balances	1,618.29	632.50	13.57	1,618.29	632.50	13.57
Others	82.51	75.88	69.50	82.51	75.88	69.50
Financial Liabilities						
Amortized cost						
Long term borrowings	-	30,984.25	38,798.38	-	30,984.25	38,798.38
Short term borrowings	47,711.25	15,438.07	7,373.94	47,711.25	15,438.07	7,373.94
Trade payable	740.38	885.52	10.86	740.38	885.52	10.86
Others	23,565.35	19,322.70	8,589.10	23,565.35	19,322.70	8,589.10

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

33 **Fair value hierarchy**

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

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

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

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

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i) **Recognised and measure at fair**

The Company has recognised the outstanding financial instrument as on March 31, 2017 , March 31, 2016 and April 1, 2015 at fair value.

ii) **Measure at amortized cost for which fair value is disclosed.**

The Company has determined fair value of all its financial instuments measured at amortized cost by using Level 3 inputs

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

i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation allowances are taken into account for the expected losses of these receivables.

ii) The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

34 **Financial risk management objectives and policies**

Financial risk factors

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk, and interest rate risk, regulatory risk and business risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

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

Market Risk

Business/ Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Objective of market risk management is to manage and limit exposure of the Company's earnings and equity to losses

The company is exposed to cargo volume risk from its port operations and it has to compete with other operators of MBPT. The timely conclusion of the concession and second supplementary agreement in favour of the company in a major risk faced by the company

Exchange risk

Since the operations of the company are within the country, the company is not exposed to any exchange risk directly. The company also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal.

However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

Credit risk

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

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its obligations associated with its functional liabilities that are settled by delivering cash or another financial asset as they fall due. The company is exposed to this risk from its operating and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both, normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company is already a NPA with the lenders and is in the process of negotiating the terms after securing the re-bid from MbPT

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Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates realtes primarily to the company's long term and short term debt obligations.

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
		(Rs in Lacs)
March 31, 2017	+100	(477.11)
	-100	477.11
March 31, 2016		
	+100	(154.38)
	-100	154.38

35 **Capital Management**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As on March 31, 2017 (Rs.)	As on March 31, 2016 (Rs.)	As on April 1, 2015 (Rs.)
Long term borrowings including ICD	47,711.25	46,422.32	46,172.32
Less: cash and cash equivalents	1,618.29	632.50	13.57
Net debt	46,092.97	45,789.83	46,158.75
Equity including reserve	5,536.90	10,676.58	9,156.03
Capital and net debt	51,629.87	56,466.41	55,314.78
Gearing ratio	89%	81%	83%

36 **Going concern assumptions**

Attention is invited to note number 3 where the status of the project, draft second supplementary agreement between MbPT, lenders and the company are detailed. The credit facility with the banks have been marked as NPA by the lenders.

The Management is hopeful of the Re-bid being awarded to the Company and has the right of first refusal. Also the proposed change to the cargo mix will provide flexibility to the Company to increase its reach and cater to a larger customer base and make profits. Therefore, the financials are prepared on a going concern basis.

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

As per our report of even date attached

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

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

Ruchi Tamhankar
Partner
M.No. 136667

Place: Mumbai
Date: June 17, 2017

For and on behalf of the Board of Directors
Indira Container Terminal Private Limited

Mineel Mali
Director
DIN: 06641595

Place: Mumbai
Date: June 17, 2017

Renuka Shitut
Director
DIN: 07225453

Place: Mumbai
Date: June 17, 2017