

EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED

DIRECTORS' REPORT

To
The Members,
Earthlink Infrastructure Projects Private Limited

Your Directors have pleasure in submitting their Ninth Annual Report together with the Audited Accounts of the Company, for the financial year ended March 31, 2019.

| 1. FINANCIAL RESULTS / STATE OF AFFAIRS | | | | | | | | | | | |
|--|--|---------------------|---|--------------------|---|--------------------|---|--------------------|---|------------------------|------|
| | During the year the Company has incurred loss of Rs.14,250/- (Previous Year Rs.1,51,23,140). | | | | | | | | | | |
| 2. DIVIDEND / TRANSFER TO RESERVE(S) | | | | | | | | | | | |
| | With a view to conserve resources, no dividend has been recommended for the Financial Year. The Directors have not transferred any amount to general or other reserves. | | | | | | | | | | |
| 3. SHARE CAPITAL | | | | | | | | | | | |
| | The Authorised and paid up share capital of the Company as at March 31, 2019 stood at Rs.1,00,000/-. During the Financial Year, the Company has not issued shares nor has granted any stock option or sweat equity. | | | | | | | | | | |
| 4. NUMBER OF MEETINGS OF THE BOARD | | | | | | | | | | | |
| | During the Financial Year, 4 (Four) Board Meetings were duly held on 29/05/2018, 31/08/2018, 20/12/2018 and 21/02/2019. The intervening gap between the meetings was not more than 120 days as prescribed under the Companies Act, 2013. Details of attendance by each Director at the said Board meetings are as under: | | | | | | | | | | |
| | <table border="1"><thead><tr><th>Name of Director(s)</th><th>Board Meetings attended during Financial year</th></tr></thead><tbody><tr><td>Mr. Hemant Chandel</td><td>4</td></tr><tr><td>Ms. Poonam Sabnis*</td><td>4</td></tr><tr><td>Mr. Pravin Marathe</td><td>4</td></tr><tr><td>Mr. Vijay Chiplunkar**</td><td>N.A.</td></tr></tbody></table> | Name of Director(s) | Board Meetings attended during Financial year | Mr. Hemant Chandel | 4 | Ms. Poonam Sabnis* | 4 | Mr. Pravin Marathe | 4 | Mr. Vijay Chiplunkar** | N.A. |
| Name of Director(s) | Board Meetings attended during Financial year | | | | | | | | | | |
| Mr. Hemant Chandel | 4 | | | | | | | | | | |
| Ms. Poonam Sabnis* | 4 | | | | | | | | | | |
| Mr. Pravin Marathe | 4 | | | | | | | | | | |
| Mr. Vijay Chiplunkar** | N.A. | | | | | | | | | | |
| | * Ms. Poonam Sabnis has resigned with effect from 12 th August, 2019 and Mr. Vijay Chiplunkar was appointed as an Additional Director with effect from 12 th August, 2019. | | | | | | | | | | |
| 5. CHANGE IN THE NATURE OF BUSINESS | | | | | | | | | | | |
| | There has been no change in the nature of business during the Financial Year. | | | | | | | | | | |
| 6. SUBSIDIARIES / ASSOCIATES / JOINT VENTURES | | | | | | | | | | | |
| | The Company does not have any subsidiary / associate or Joint Venture. | | | | | | | | | | |
| 7. 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 annexed herewith as Annexure 'A' . | | | | | | | | | | |
| 8. DIRECTORS | | | | | | | | | | | |
| | In accordance with the provisions of the Companies Act, 2013, Mr. Hemant Chandel retires by rotation at the next Annual General Meeting (AGM) and has offered for re-appointment. | | | | | | | | | | |

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| | Presently, the Board of Directors comprises of Mr. Hemant Chandel, Mr. Pravin Marathe and Mr. Vijay Chiplunkar. |
| 9. | KEY MANAGERIAL PERSONNEL |
| | Provisions of Section 203 are not applicable to the Company; hence there is no mandatory requirement to appoint key managerial personnel. |
| 10 | DEPOSITS |
| | The Company has not accepted any deposits covered under Chapter V of the Act. |
| 11. | PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY |
| | The Company has not made any loans, guarantees or investments as covered under Section 186 of the Companies Act, 2013. |
| 12. | 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. |
| 13. | SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS |
| | There are no significant / material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. |
| 14. | DIRECTORS' RESPONSIBILITY STATEMENT |
| | Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, your Directors to the best of their knowledge and ability confirm that: |
| a. | in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any; |
| b. | they have 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 and of the profit of the Company during the Financial Year; |
| c. | they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities; |
| d. | they have prepared the annual accounts on a going concern basis; and |
| e. | they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. |
| 15. | PARTICULARS OF EMPLOYEES |
| | There are no particulars to be disclosed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. |

EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED

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| 16. | STATUTORY AUDITOR & AUDITOR'S REPORT |
| | <p>In the Extra Ordinary General Meeting of the Members of the Company held on 22nd March, 2019, M/s. S V Yadav And Associates, Chartered Accountants, (Firm Registration no. 142624W) Mumbai was appointed as the Statutory Auditors of the Company in terms of Section 139(8) of the Companies Act, 2013, to hold office until the conclusion of the next Annual General Meeting of the Company.</p> <p>Your Board recommends the appointment of M/s. S.V. Yadav And Associates, Chartered Accounts as Statutory Auditors of the Company in terms of Section 139(1) of the Companies Act, 2013 from the conclusion of 8th Annual General Meeting until the conclusion of 13th Annual General Meeting. The Company has obtained written consent and letter confirming eligibility from M/s. S.V. Yadav Associates. Members are requested to appoint Auditors and fix their remuneration.</p> <p>In the opinion of the Board, the observations made by the Auditors are self-explanatory and do not require any further clarification form the Board.</p> |
| 17. | CORPORATE SOCIAL RESPONSIBILITY (CSR) |
| | CSR related provisions of the Companies Act, 2013 do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard. |
| 18. | DISCLOSURE ON WOMEN AT WORKPLACE |
| | As the Company does not have any women employees on its payrolls, the Company was not required to formulate any policy on prevention of sexual harassment at workplace. |
| 19. | CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO |
| | <p>Since the Company does not carry on any manufacturing activities, the Company was not required to take any steps towards the conservation of energy and absorption of technology (indigenous or imported).</p> <p>Foreign Exchange earned in terms of actual inflows during the year: NIL Foreign Exchange outgo during the year in terms of actual outflows: NIL</p> |
| 20. | MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT |
| | No material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this report. |
| 21. | RISK MANAGEMENT POLICY |
| | 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 market related, Government policy related matters that may threaten the existence of the Company. |

EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED

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| 22. | ACKNOWLEDGEMENT |
| | The Directors would like to place on record their appreciation for the valuable co-operation extended to the Company by the employees of the Company, Government Departments, Bankers, Suppliers and Customers for their continuous support to the Company. |

FOR AND ON BEHALF OF THE BOARD OF
EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED *AS*



Hemant Chandel
Director
DIN: 07473472



Pravin Marathe
Director
DIN: 07706235

Place : Mumbai
Date : 30/08/2019

ANNEXURE A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2019

[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. | CIN | U74990MH2010PTC210405 |
| ii. | Registration Date | November 29, 2010 |
| iii. | Name of the Company | Earthlink Infrastructure Projects Company Private Limited |
| iv. | Category / Sub-Category of the Company | Company Limited by shares / Indian Non-Government Company |
| v. | Address of the Registered office and contact details | 5 th Floor, Orbit Plaza, 952/954, Orbit Plaza CHS, New Prabhadevi Road, Prabhadevi, Mumbai-400025. |
| vi. | Whether listed company | No |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | N. A. |

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 |
|---------|--|----------------------------------|------------------------------------|
| I | Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways | 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 |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1. | Gammon Projects Developers Limited Orbit Plaza, 5 th Floor, New Prabhadevi Road, Prabhadevi, Mumbai – 400 025. Phone no.: (022) 6748 7200 | U45200MH2006PLC159107 | Holding Company | 100% | Section 2(46) |

| | | | | | | | | | | |
|--|---|-------|--------|-----|---|--------|--------|-----|---|---|
| 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) | - | 10000 | 10,000 | 100 | - | 10,000 | 10,000 | 100 | - | - |

ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of 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 | % change in share holding during the year |
| 1. | Gammon Projects Developers Ltd. | 10,000 | 100 | - | 10,000 | 100 | - | - |
| | Total | 10,000 | 100 | - | 10,000 | 100 | - | - |

iii. Change in Promoters' Shareholding (please specify, if there is no change: N.A.)

| Sr. no | | 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 | - | - | - | - |

| | | | | |
|--|---|---|---|---|
| Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| At the End of the year | - | - | - | - |

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs): N.A.

| Sr. no | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| | At the beginning of the year | - | - | - | - |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year (or on the date of separation, if separated during the year) | - | - | - | - |

| Sr. no | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| | At the beginning of the year | - | - | - | - |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year (or on the date of separation, if separated during the year) | - | - | - | - |

v. Shareholding of Directors and Key Managerial Personnel: N.A.

| Sr. no | | 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 |
| | For Each of the Directors & KMP | | | | |
| | Directors | | | | |
| | At the beginning of the year | - | - | - | - |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - | - |
| At the End of the year | - | - | - | - | - |

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits (Rs. in Lakhs) | Unsecured Loans | Deposits | Total Indebtedness (Rs. in Lakhs) |
|---|---|-----------------|----------|-----------------------------------|
| Indebtedness at the beginning of the financial year (01-Apr-2017) | | | | |
| i) Principal Amount | | 22.20 | | 22.20 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | 22.20 | | 22.20 |
| Change in Indebtedness during the financial year | | | | |
| - Addition | | 99.80 | | 99.80 |
| - Reduction | | | | |
| Net Change | | 99.80 | | 99.80 |
| Indebtedness at the end of the financial year (31-Mar-2018) | | | | |
| i) Principal Amount | | 122.00 | | 122.00 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | 122.00 | | 122.00 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: N.A.

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|---|-------------------------|--|--|--|--------------|
| 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) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) 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: NIL

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|-------------------|--|--|--|--------------|
| | <u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify | | | | | |
| | Total (1) | | | | | |
| | <u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify | | | | | |
| | Total (2) | | | | | |
| | Total (B)=(1+2) | | | | | |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD: N.A.

| Sl. 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) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | | |
| 2. | Stock Option | | | | |
| 3. | Sweat Equity | | | | |
| 4. | Commission - as % of profit - others, specify... | | | | |

| | | | | | |
|----|------------------------|--|--|--|--|
| 5. | Others, please specify | | | | |
| | Total | | | | |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A.

| 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 | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers In Default | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

**FOR AND ON BEHALF OF THE BOARD OF
EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED**


 Hemant Chandel
 Director
 DIN: 07473472


 Pravin Marathe
 Director
 DIN: 07706235

Place: Mumbai
 Date: 30/8/2019

INDEPENDENT AUDITOR'S REPORT

To
**The Members of
Earthlink Infrastructure Projects Private Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Earthlink Infrastructure Projects Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

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 under section 133, of the financial position of the Company as at March 31, 2019, its financial performance including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the preparation of the Other Information. The "Other Information" comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. The Other Information as aforesaid is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the "Other Information" which will be made available to us after the date of this report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with the Standards on Auditing.

Responsibilities of Management and those Charged with Governance for the Standalone 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 Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy



and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit we also:

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if



S V Yadav And Associates
Chartered Accountants

5. such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
6. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

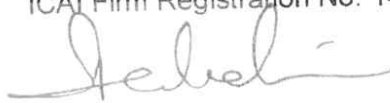
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - 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



S V Yadav And Associates
Chartered Accountants

- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement 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. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at March 31, 2019 which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund.

For S V Yadav And Associates
Chartered Accountants
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav
Proprietor
M. No. 156541
Mumbai, Dated: May 15, 2019



ANNEXURE A

To the Independent Auditors' Report on the Standalone IND AS Financial Statements of Earthlink Infrastructure Projects Private Limited

- (i) (a) The company does not have any fixed assets and hence the clause (i) (a), (b) and (c) are not applicable.
- (ii) As the company does not hold any inventory during the year, clause 3(ii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order are not applicable to the Company.
- (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 by the Company.
- (v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections. Accordingly the provision of clause 3(v) is not applicable to the Company.
- (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 infrastructure developers 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 is generally regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Cess, Work Contract Tax, Goods and Service Tax 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, 2019 for a period of more than six months from the date of becoming payable.



S V Yadav And Associates
Chartered Accountants

- (b) According to the information and explanations given to us, there are no dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or duty of Customs or duty of Excise or Value Added Tax or Cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not defaulted in repayment of loans or borrowings to financial institutions, banks and Government and dues to debenture holders.
- (ix) The company has not raised any money by way of public issue / follow-on offer (including debt instruments) during the year. The Company has also not raised any term loans during the year. Therefore the clause 3(ix) of the Companies (Auditors Report) Order 2016 is not applicable to the Company.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (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) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the IND AS financial statements, etc. as required by the applicable accounting standards.
- (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.



S V Yadav And Associates
Chartered Accountants

- (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 S V Yadav And Associates
Chartered Accountants
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav
Proprietor
M. No. 156541
Mumbai, Dated: May 15, 2019



Annexure - B
To the Independent Auditors' Report on the Standalone IND AS Financial
Statements of Earthlink Infrastructure Projects Private Limited

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

We have audited the internal financial controls with reference to Financial Statements of Earthlink Infrastructure Projects Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

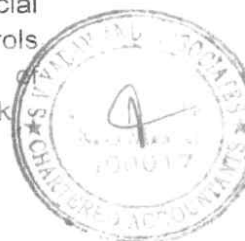
Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk



that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

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



S V Yadav And Associates
Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S V Yadav And Associates
Chartered Accountants
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav
Proprietor
M. No. 156541
Mumbai, Dated: May 15, 2019



EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED
CIN: U74990MH2010PTC210405
BALANCE SHEET AS AT MARCH 31, 2019
 (All amounts are Rs in thousands unless otherwise stated)

| Particulars | Notes | As on 31.03.2019 | As on 31.03.2018 |
|--|-------|-------------------------|------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant & equipment | | | |
| Intangible assets under development | | | |
| Financial assets | | | |
| Investments | | | |
| Loans | | | |
| Other Loans and advances | | | |
| Advance tax (net) | 3 | 165.90 | 165.90 |
| | | <u>165.90</u> | <u>165.90</u> |
| Current assets | | | |
| Financials assets | | | |
| Loans | 4 | 10,000.00 | - |
| Trade receivables | | | |
| Cash and cash equivalents | 5 | 15.30 | 352.56 |
| Prepaid | | | |
| Others | | | |
| | | <u>10,015.30</u> | <u>352.56</u> |
| Total assets | | <u>10,181.20</u> | <u>518.46</u> |
| Equity and liabilities | | | |
| Equity | | | |
| Equity share capital | 6 | 100.00 | 100.00 |
| Other equity | 6a | -2,511.70 | -2,497.45 |
| Non current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 7 | 182.06 | 507.06 |
| Long term provisions | | | |
| net employee defined benefit liabilities | | | |
| Deferred tax liabilities (net) | | | |
| Other non current liabilities | | | |
| | | <u>182.06</u> | <u>507.06</u> |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 8 | 12,200.00 | 2,200.00 |
| Trade payables | | | |
| Other financial liability | 9 | 210.83 | 208.85 |
| net employee defined benefit liabilities | | | |
| Liabilities for current tax (net) | | | |
| Provisions | | | |
| | | <u>12,410.83</u> | <u>2,408.85</u> |
| Total liabilities | | <u>12,592.89</u> | <u>2,915.91</u> |
| Total equity & liabilities | | <u>10,181.20</u> | <u>518.46</u> |

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S V Yadav And Associates
Chartered Accountants.

ICAI Firm Registration No. - 1426249

Venkatesh S. Yadav
Proprietor
Membership No. : 156541

Place : Mumbai
Date : 15/05/2019



For and behalf of the Board of Directors of
Earthlink Infrastructure Projects Private Limited

Director
Hemant Chandel
DIN No. 07473472

Director
Poonam Sabnis
DIN No. 07706230

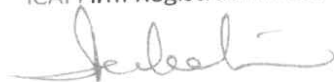
EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED
CIN: U74990MH2010PTC210405
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019
(All amounts are Rs in thousands unless otherwise stated)

| Particulars | Notes | For Year Ended March 31, 2019 | For Year Ended March 31, 2018 |
|--|-------|----------------------------------|----------------------------------|
| Income | | | |
| Revenue from operations | | | |
| Other income | 10 | - | 1,242 |
| Total income (A) | | - | 1,242 |
| Expenses | | | |
| Other expenses | 11 | 14.25 | 12,021 |
| Total expenses (B) | | 14.25 | 12,021 |
| Earnings before interest, tax, depreciation and amortisation (EBITDA) (A - B) | | (14.25) | (10,779) |
| Interest Expense | 12 | - | 4,344 |
| Profit/(loss) before tax | | (14.25) | (15,123) |
| Tax expenses | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Total tax expense | | - | - |
| Profit/(loss) after tax | | (14.25) | (15,123) |
| Earnings per equity share ('EPS') | | | |
| Basic | 13 | (1.42) | (1,512.31) |
| Diluted | | (1.42) | (1,512.31) |
| Summary of significant accounting policies | 2.1 | | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S V Yadav And Associates
Chartered Accountants.
ICAI Firm Registration No. - 142624W



Venkatesh S. Yadav
Proprietor
Membership No. : 156541

Place : Mumbai
Date : 15/05/2019



For and behalf of the Board of Directors of
Earthlink Infrastructure Projects Private Limited



Director
Hemant Chandel
DIN No. 07473472



Director
Poonam Sabnis
DIN No. 07706230

EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED
CIN: U74990MH2010PTC210405
STATEMENT CASH FLOW FOR THE PERIOD FROM APRIL 1, 2018 TO MARCH 31, 2019
(All amounts are Rs in thousands unless otherwise stated)

| Particulars | March 31, 2019 Rupees | March 31, 2018 Rupees |
|---|--------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net profit before tax and extraordinary items | (14.25) | (15,123.14) |
| Adjustments for : | | |
| Depreciation | - | - |
| Sundry Balances written back | - | - |
| Ind AS Adjustment | - | - |
| | <u>(14.25)</u> | <u>(15,123.14)</u> |
| Operating profit before working capital changes | | |
| Movements in working capital : | | |
| Increase / (decrease) in trade payables and other liabilities | (9,998.02) | 1.35 |
| Decrease / (increase) in trade and other receivables | - | - |
| | <u>(9,998.02)</u> | <u>1.35</u> |
| Cash (used in) / generated from the operations | <u>(10,012.27)</u> | <u>(15,121.79)</u> |
| Direct Taxes paid | - | - |
| Net cash (used in) / generated from the operations | <u>(10,012.27)</u> | <u>(15,121.79)</u> |
| B. CASH FLOW FROM INVESTMENT ACTIVITIES : | | |
| Capitalisation of expenses | - | - |
| Preliminary expenses | - | - |
| | <u>-</u> | <u>-</u> |
| Net cash used from investment activities | <u>-</u> | <u>-</u> |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Proceeds from issue of share capital | | |
| Refund of long term borrowings (Net) | 9,675.00 | (1,08,624.91) |
| Proceeds from borrowings | - | 1,24,066.39 |
| Realisation of loans | | |
| Interest paid | 9,675.00 | 15,441.48 |
| | <u>9,675.00</u> | <u>15,441.48</u> |
| Net cash used from financing activities | <u>9,675.00</u> | <u>15,441.48</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | <u>(337.27)</u> | <u>319.68</u> |
| Closing balance | 15.30 | 352.56 |
| Opening balance | 352.56 | 32.88 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | <u>(337.27)</u> | <u>319.68</u> |

Note : Figures in brackets denote outflows.

Components of cash and cash equivalents

Cash and cheques on hand

With banks :

- On current account

| | |
|--------------|---------------|
| 15.30 | 352.56 |
| <u>15.30</u> | <u>352.56</u> |

As per our report of even date

For S V Yadav And Associates
Chartered Accountants.

ICAI Firm Registration No. - 142624W



Venkatesh S. Yadav
Proprietor
Membership No. : 156541

Place: Mumbai
Date : 15/05/2019



For and on behalf of the Board of Directors of
Earthlink Infrastructure Projects Private Limited


Director
Hemant Chandel
DIN No. 07473472


Director
Poonam Sabnis
DIN No. 07706230

EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED
CIN: U74990MH2010PTC210405
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD FROM APRIL 1, 2018 TO MARCH 31, 2019

1 Corporate profile

Earthlink Infrastructure Projects Private Limited ('the Company') formerly known as Satyavedu Infra Company Private Limited ('SICPL') was incorporated under the Companies Act, 1956, on 29th November, 2010. The entire equity stake of the Company was acquired Gammon Project Developer Limited ('GPDL'), a wholly owned subsidiary of Gammon Infrastructure Projects Limited ('GIPL'). The Company was incorporated to carry on the business of infra developing, constructing and maintaining residential and / or commercial flats / buildings, apartments, farm houses, group houses and/ or townships, markets, housing colonies, information technology parks, software technology parks, special economic zones or other buildings and/ or industrial estates, schools, colleges, theme parks, re-creational facilities and/ or any other infrastructure related projects and to acquire, develop and equip land or any part thereof with the amenities, facilities required therefore.

2 Basis of preparation

The Financial Statements of the Company have been prepared to comply in all material respects with the notified Accounting Standards under Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 with respect to the Financial Statements. The Financial Statements have been prepared under the historical cost convention, on an accrual basis of accounting.

Note of current / non-current disclosure:

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

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the previous year, except for the change in the accounting policy explained below.

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

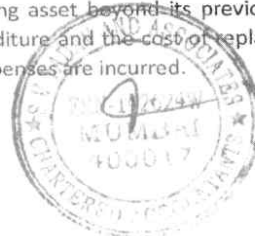
b. Revenue recognition

Revenue is recognized to the extent, that it is probable that the economics benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is

- i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate
- ii) Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.
- iii) Profits / (losses) on sale of mutual fund units are recognised upon realisation of amount from sale of units.

c. Tangible fixed assets

Tangible fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition of its intended use. The costs comprises of the purchase price, borrowings costs if capitalisation criteria are met and directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the cost of the tangible fixed asset. Any subsequent expenses related to a tangible fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other day to day repairs and maintenance expenditure and the cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.



Depreciation on tangible fixed assets is provided on the Straight Line Method over the useful lives of the assets estimated by the Management and as laid down in Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

Gains or losses arising from derecognition of tangible fixed assets 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 and loss when the asset is derecognised.

d. Intangible assets

Intangible assets are stated at cost of construction less accumulated amortised amount and accumulated impairment losses, if any. Costs include direct costs of construction of the project road and costs incidental and related to the construction activity. Costs incidental to the construction activity, including financing costs on borrowings attributable to construction of the project road, have been capitalised to the project road till the date of completion of construction.

Self constructed intangible assets are amortised on a straight line basis, from the date they are put to use, over the balance period of the Contract from the date the said asset was put to use. The amortisation period and the amortisation method are reviewed at each financial year end.

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 and loss when the asset is derecognised.

e. Impairment

The carrying amounts of assets including goodwill, are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, the asset is depreciated or amortised on the revised carrying amount of the asset over its remaining useful life.

f. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at costs. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term.

On disposal of an investment, the difference between the carrying amount and the net disposal proceeds is charged to the statement of profit and loss.

g. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction and installation of an asset that takes a substantial period of time to get ready for its intended use are capitalized. Other borrowing costs are recognised as expenditure in the period in which they are incurred.



h. Earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted number of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss 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.

i. Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

j. Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

k. Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle an obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

l. Measurement of EBITDA

The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In the measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

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EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED
CIN: U74990MH2010PTC210405
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
 (All amounts are Rs in thousands unless otherwise stated)

| | As on 31.03.2019 (Rs.) | As on 31.03.2018 (Rs.) |
|--|------------------------|------------------------|
| 3 Advance Tax (Net) | | |
| Advance income-tax, net of provision (A) | 165.90 | 165.90 |
| | <u>165.90</u> | <u>165.90</u> |
| 4 Current Financial Assets | | |
| Loans | | |
| Loan to others | 10,000.00 | - |
| (Interest free, repayable on or before March 2020) | <u>10,000.00</u> | <u>-</u> |
| 5 Cash and cash equivalent | | |
| Balances with banks on current account | 15.30 | 352.56 |
| | <u>15.30</u> | <u>352.56</u> |

6 Equity Share capital

a Authorised share capital

| | Equity shares No's | In Rs |
|--------------------|-----------------------|--------|
| At 31st March 2018 | 10,000 | 100.00 |
| At 31st March 2019 | 10,000 | 100.00 |

Terms/Right Attached to Equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

Equity shares of Rs 10 each issued, subscribed and fully paid.

| | No's | In Rs |
|--------------------|--------|--------|
| At 31st March 2018 | 10,000 | 100.00 |
| At 31st March 2019 | 10,000 | 100.00 |

a) Shares held by holding Company

Gammon Projects Developers Limited ('GPDL')

| As At | |
|--------------------------|--------|
| 31st March 2018 and 2019 | |
| No's | In Rs |
| 10,000 | 100.00 |



EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED
CIN: U74990MH2010PTC210405
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
(All amounts are Rs in thousands unless otherwise stated)

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| Particulars | As At 31st March 2018 and 2019 | |
|--------------------------------------|-----------------------------------|---------------|
| | Numbers | Rupees |
| At the beginning of the period | 10,000 | 100.00 |
| Outstanding at the end of the period | <u>10,000</u> | <u>100.00</u> |

c) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

d) 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.

e) Details of shareholding more than 5% shares in the Company

| | 31st March 2018 and 2019 | |
|---|--------------------------|-----------|
| | No's | % holding |
| Gammon Projects Developers Limited ('GPDL') | 10,000 | 100% |

6a Other Equity

| Particulars | As on 31.03.2019 (Rs.) | As on 31.03.2018 (Rs.) |
|--|------------------------|------------------------|
| Retained Earning | | |
| Surplus / (deficit) in the statement of Profit and Loss | | |
| Balance as per the last financials | (36,651.61) | (21,528.47) |
| Add : Profit /(Loss) for the period | (14.25) | (15,123.14) |
| | <u>(36,665.86)</u> | <u>(36,652)</u> |
| Capital contribution | <u>34,154.16</u> | <u>34,154.16</u> |
| Total reserves and surplus | <u>(2,511.70)</u> | <u>(2,497.45)</u> |

7 Borrowings

Non current borrowings

Term loan

Interest Free unsecured loan from Gammon Infrastructure Project Limited*

| | |
|---------------|---------------|
| 182.06 | 507.06 |
| <u>182.06</u> | <u>507.06</u> |

*loan is repayable on March 2020

Borrowings

8 Current borrowings

Term loan

ICD - Ras Cities & Townships Pvt Ltd

Capital Advance to SRI city

(the said loan is interest free repayable on or before March 31, 2020. The loan is subject to confirmation)

| | |
|------------------|-----------------|
| 2,200.00 | 2,200.00 |
| 10,000.00 | - |
| <u>12,200.00</u> | <u>2,200.00</u> |

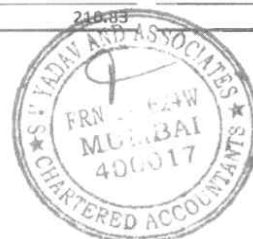
9 Other payables

Other Liabilities

Deposit for directorship

| | |
|---------------|---------------|
| 10.83 | 8.85 |
| 200.00 | 200.00 |
| <u>210.83</u> | <u>208.85</u> |

Total



EARTHLINK INFRASTRUCTURE PROJECTS PRIVATE LIMITED
CIN: U74990MH2010PTC210405
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO FINANCIAL STATEMENTS
FOR YEAR ENDED MARCH 31, 2019
(All amounts are Rs in thousands unless otherwise stated)

| 10 Other Income | | For Year Ended March 31, 2019 | For Year Ended March 31, 2018 |
|---|--|----------------------------------|----------------------------------|
| Particulars | | | |
| Interest Income | | - | 1,241.61 |
| Total Other Income | | - | 1,241.61 |
| 11 Other expenses | | | |
| Particulars | | | |
| ROC fees | | 4.00 | 5.40 |
| Bank charges | | 0.22 | 0.73 |
| Payment to auditors - statutory auditor | | 10.03 | 8.85 |
| Remeasurement Loss on FV | | - | 12,005.76 |
| Total other expenses | | 14.25 | 12,020.74 |
| 12 Finance Cost | | | |
| Interest Expense | | - | 4,344.02 |
| | | - | 4,344.02 |

13 Earnings per share ('EPS')

The following reflects the profit and equity share data used in the basic and diluted EPS computation.

| Particulars | | |
|---|---------------|-------------------|
| Profit/(loss) after tax | (14.25) | (15,123.14) |
| Outstanding equity shares at the end of the period | 10,000 | 10,000 |
| Weighted average number of equity shares in calculating EPS | 10,000 | 10,000 |
| Nominal value of equity shares | 10 | 10 |
| Basic EPS | (1.42) | (1,512.31) |
| Diluted EPS | (1.42) | (1,512.31) |

14 Segment reporting

The Company's operations constitutes a single business segment namely "Infrastructure Development" as per INDAS 108. Further, the Company's operations are within single geographical segment which is India. As such, there is no separate reportable segment under Ind AS - 108 on Operating Segments.

15 Related party transactions

a) Names of the related parties and related party relationships

Related parties where control exists :

1. Gammon Infrastructure Projects Limited - Intermediate holding company
2. Gammon Projects Developers Limited - holding company

Fellow subsidiaries :

1. RAS Cities Townships Private Limited



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(All amounts are Rs in thousands unless otherwise stated)

b) Related party transactions

| Transactions | Holding company | Fellow subsidiary |
|---|-------------------------|------------------------|
| Reimbursement of Expense incurred on our behalf Gammon Infrastructure Projects Limited | - (23.75) | |
| Refund of interest fee unsecured loan : Gammon Infrastructure Projects Limited | 325.00 (1,27,150.94) | |
| Interest free unsecured loan refunded to : Ras Cities & Townships Pvt Ltd | | - (5,000.00) |
| Advance granted to Ras Cities & Townships Pvt Ltd | | - (2,200.00) |
| Outstanding loan balances payable : Ras Cities & Townships Pvt Ltd | | 2,200.00 (2,200.00) |
| Outstanding loan balances payable : Gammon Infrastructure Projects Limited | 182.06 (507.06) | |

(Previous period's figure in brackets)

16 Contingent liabilities

There are no contingent liabilities as at March 31, 2019 and 2018.

17 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

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.

18 In the opinion of the management, the current assets and loans and advances have a realizable value equal to its value stated in the balance sheet.

19 The capital commitment as at March 31, 2019 and March 31, 2018 is Rs. Nil.

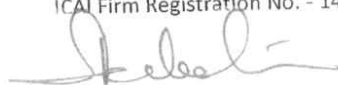
20 Previous period figures have been regrouped/reclassified wherever necessary. The current period is for the period from April 1, 2018 to March 31, 2019 . The comparative figures for the previous period are for period April 1, 2017 to March 31, 2018.

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S V Yadav And Associates
Chartered Accountants.
ICAI Firm Registration No. - 142624W



Venkatesh S. Yadav
Proprietor
Membership No. : 156541



For and behalf of the Board of Directors of
Earthlink Infrastructure Projects Private Limited



Director
Hemant Chandel
DIN No. 07473472



Director
Poonam Sabnis
DIN No. 07706230

Place : Mumbai
Date : 15/05/2019