Independent Auditor's Report
To The Members of Alok Infrastructure Limited.

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Alok Infrastructure Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement 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 "Ind AS financial statements")

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 of Ind AS financial Statements 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 Ind AS financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the 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 these 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

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 the paragraph 3 and 4 of the Order.

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.

   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

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

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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"**; and

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 impacting its financial position in its Ind AS financial statements;

   ii) The Company did not have any long-term contracts including derivative contracts as at 31st March, 2017 for which there were any material foreseeable losses;

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund; and

   iv) The Company has provided requisite disclosures in the Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

For NBS & Co
Chartered Accountants
Firm Regn. No. 110100W

NBS & CO. MUMBAI FRN 110100W CHARTERED ACCOUNTANTS

Devdas Bhat
Partner
Mem.No.: 048094

Place: - Mumbai.
Date: - 26th May, 2017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2017.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, physical verification of major portion of fixed assets was conducted by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of mortgage deeds provided to us, we report that, the title deeds of all immovable properties of land and buildings which are freehold are held in the name of the Company as at balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the Standalone Ind AS Financial Statements, the lease agreements are in the name of the Company.

ii. In our opinion and according to the information and explanations given to us, physical verification of materials, stores and finished goods has been carried out by the management at reasonable intervals. No material discrepancies were noticed on physical verification and the same have been properly dealt with in the books of account.

iii. According to the information and explanations given to us, the Company has granted unsecured loan to one company covered in the register maintained under section 189 of the Act which amounts to Rs.311.20 crores (Previous year Rs. 311.20 crore) is outstanding as on 31st March, 2017. Accordingly –

(a) as per the information and explanation given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) as per the information and explanation given to us, the loan given by the company does not carry any interest and repayable on demand and hence clause (c) is 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 Act.

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v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are not applicable.

vi. We are informed that the Central Government has not prescribed maintenance of Cost Record under sub-section (1) of section 148 of the Companies Act, 2013.

vii. (a) According to the information and explanations given to us and the records examined by us, the Company is not regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable except as mentioned below:

Particulars	Amount (Rs. In Crores)
Service Tax	3.45
Value Added Tax	4.72
Central Sales Tax	0.01

(b) According to the information and explanation given to us and the records examined by us, there are no material dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute.

viii. According to information and explanation given to us and based on examination of the records, the Company has defaulted in repayment of term loan of Karur Vysya Bank amounting to Rs.82,08,614/- for a period of three months. The Company does not have any dues to financial institution, government or debenture holders.

ix. The Company has not raised money through initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us and based on the documents and records examined by us on an overall basis, the term loans obtained by the Company were applied for the purpose for which the loans were obtained.

x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.

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xi. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable.

xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

For NBS & Co
Chartered Accountants
Firm Regn. No. 110100W

NBS & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN 110100W

Devdas Bhat
Partner
Mem. No.: 048094

Place: - Mumbai.
Date: - 26th May, 2017.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE IND AS FINANCIAL STATEMENTS OF ALOK INFRASTRUCTURE LIMITED

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2017.

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 Alok Infrastructure Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. 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.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

N.B.S. & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN 110100W

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 NBS & Co
Chartered Accountants
Firm Regn. No. 110100W

Devdas Bhat
Partner
Mem No. 048094

Place: - Mumbai
Date: - 26th May, 2017.

ALOK INFRASTRUCTURE LIMITED

BALANCE SHEET AS AT 31 MARCH 2017

Particulars	Note No.	As At 31 March 2017	As At 31 March 2016	As At 01 April 2015
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	2	168,407,089	247,994,174	277,645,877
(b) Capital work-in-progress	3	-	193,264,631	193,264,631
(c) Investment Property	4	8,282,736,241	8,315,860,202	8,334,465,334
(d) Other Intangible assets	5	7,898,411	18,606,814	29,315,218
(e) Financial Assets				
(i) Investments	6	988,910,796	963,367,623	939,466,653
(ii) Loans	7	6,606,592	27,175,777	30,823,745
(f) Other non-current assets	8	189,867,131	189,322,131	187,992,131
		9,644,426,260	**9,955,591,352**	**9,992,973,589**
(2) Current Assets				
(a) Inventories	9	1,544,325,174	1,919,649,035	2,773,735,958
(b) Financial assets				
(i) Trade receivables	10	21,388,341	632,464,920	84,657,865
(ii) Cash and cash equivalents	11	4,611,915	21,732,882	155,426,797
(iv) Loans	12	14,648,662	3,115,031,259	1,542,466,700
(v) Others	13	791,938	475,249	1,219,705
(c) Current tax Assets (net)	14	42,565,640	144,186,388	195,401,233
(d) Other Current Assets	15	780,300,462	851,393,783	895,919,023
		2,408,632,134	**6,684,933,515**	**5,648,827,281**
TOTAL ASSETS		**12,053,058,393**	**16,640,524,867**	**15,641,800,870**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	16	500,000	500,000	500,000
(b) Other equity	17	(5,727,169,617)	(1,732,189,344)	(673,594,072)
		(5,726,669,617)	**(1,731,689,344)**	**(673,094,072)**
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	18	14,345,480,319	13,287,558,601	11,887,234,084
(ii) Other financial liabilities	19	191,186	191,186	10,766,570
(b) Provisions	20	245,237	(96,449)	524,078
(c) Deferred tax liabilities (net)	21	1,659,585,928	3,232,393,913	3,567,305,528
		16,005,502,669	**16,520,047,251**	**15,465,830,260**
(2) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	22	1,350,000,000	1,354,735,349	277,659,813
(ii) Trade payables	23	120,431,118	266,785,896	260,965,814
(iii) Other financial liabilities	24	162,987,423	131,332,216	174,282,845
(b) Other current liabilities	25	140,766,175	90,766,627	127,606,737
(c) Provisions	26	40,625	8,546,873	8,549,473
		1,774,225,341	**1,852,166,961**	**849,064,682**
TOTAL EQUITY AND LIABILITIES		**12,053,058,393**	**16,640,524,867**	**15,641,800,870**

See accompanying notes to the financial statements

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W

Devdas Bhat
Partner
M. No. 48094

Place : Mumbai
Dated : 26 MAY 2017

For and on behalf of the Board

Dhruva Das Mall (DIN: 03520970) — **Director**

Sohanlal V. Shah (DIN: 03013423) — **Director**

Prasad B Keni (DIN: 01167158) — **Director**

NBS & CO. MUMBAI FRN 110100W CHARTERED ACCOUNTANTS

ALOK INFRASTRUCTURE LIMITED

ALOK INFRASTRUCTURE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ENDED 31 MARCH 2017

	Particulars	Note No.	Year ended 31-Mar-17	Year ended 31-Mar-16
	INCOME			
I.	Revenue from Operations	27	1,454,939	1,235,242,954
II.	Other Income	28	320,327,971	152,276,572
	Total Income (I+II)		321,782,910	1,387,519,526
III.	**EXPENSES :**			
	Cost of Materials consumed	29	232,317,041	736,618
	Purchase of Traded goods		-	605,368,919
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-process	30	375,323,861	854,086,923
	Employee Benefits Expense	31	5,346,008	11,237,658
	Finance costs	32	1,223,674,575	1,096,433,716
	Depreciation and Amortisation expense		35,995,755	46,863,931
	Other Expenses	33	4,019,150,011	167,253,014
	Total Expenses (IV)		5,891,807,251	2,781,980,779
IV	**PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS & TAX**		(5,570,024,341)	(1,394,461,253)
V	Exceptional Items		-	-
VI	**PROFIT / (LOSS) BEFORE TAX (V-VI)**		(5,570,024,341)	(1,394,461,253)
VII	Tax Expense			
	(1) Current Tax			-
	(2) MAT Credit Entitlement			-
	(3) Deferred Tax		1,573,498,935	335,206,514
	(4) Excess Provision of Income Tax in respect of Previous year written back			-
	Total tax expense		1,573,498,935	335,206,514
VIII	**PROFIT (LOSS) FROM CONTINUING OPERATIONS (VII-**		(3,996,525,406)	(1,059,254,739)
	Share of profit from associates (net)			
IX	Profit / (Loss) From Discontinued Operations		-	-
X	Tax Expense Discontinued Operations		-	-
XI	**PROFIT (LOSS) FROM DISCONTINUED OPERATIONS**		-	-
XII	**PROFIT / (LOSS) FOR THE PERIOD (IX+XII)**		(3,996,525,406)	(1,059,254,739)
XIII	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	34	2,236,083	954,366
	(ii) Income tax relating to items that will not be reclassified to profit or loss	34	(690,950)	(294,899)
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XIV	Total Comprehensive Income for the period (XIII + XIV)		(3,994,980,273)	(1,058,595,272)
XV	Earnings per equity share (for continuing operation):			
	(1) Basic			
	(2) Diluted			
XVI	Earnings per equity share (for discontinued operation):			
	(1) Basic			
	(2) Diluted			
XVII	Earning Per Share (for discontinued and continuing operation):			
	(1) Basic		-	
	(2) Diluted		-	

See accompanying notes to the financial statement

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W

Devdas Bhat
Partner
M. No. 48094

Place : Mumbai
Dated : 26 MAY 2017

NBS & CO. MUMBAI FRN 110100W CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dhruva Das Mall — **Director**
(DIN: 03520970)

Sohanlal V. Shah — **Director**
(DIN: 03013423)

Prasad B Keni — **Director**
(DIN: 01167158)

ALOK INFRASTRUCTURE LIMITED

ALOK INFRASTRUCTURE LIMITED
Statement of changes in equity for the period ended 31 March 2017
(Amounts in Indian Rupees)

A. Equity share capital

Particulars	Amount (Rs.)
Balance as on 1 April 2015	**500,000**
Changes in equity share capital during the year	-
Balance as on 31 March 2016	**500,000**
Balance as on 1 April 2016	500,000
Changes in equity share capital during the year	-
Balance as on 31 March 2017	**500,000**

B. Other equity

Particulars	Reserves and Surplus		Revaluation reserve	Total
	Capital Reserve	Surplus / (Deficit) of profit or loss		
Balance at the beginning of the reporting period as at 1 April 2015 as per Indian GAAP	**395,666,526**	**(2,533,303,973)**	**371,216,262**	**(1,766,421,185)**
Ind AS Adjustments		1,464,043,374	(371,216,262)	1,092,827,113
Balance at the beginning of the reporting period as at 1 April 2015	**395,666,526**	**(1,069,260,599)**	**-**	**(673,594,072)**
Total comprehensive income for the year				-
- Profit or loss account		(1,059,254,739)		(1,059,254,739)
- Other comprehensive income		659,467		659,467
Balance as on 31 March 2016	**395,666,526**	**(2,127,855,871)**	**-**	**(1,732,189,344)**
Total Comprehensive Income for the year				
- Profit or loss account		(3,996,525,406)		(3,996,525,406)
- Other comprehensive income		1,545,133		1,545,133
Balance as on 31 March 2017	**395,666,526**	**(6,122,836,144)**	**-**	**(5,727,169,617)**

ALOK INFRASTRUCTURE LIMITED

N B S & CO. MUMBAI FRN 110100W CHARTERED ACCOUNTANTS

ALOK INFRASTRUCTURE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2017

(Amount in Rs.)

Particulars	Year Ended 31-Mar-17	Year Ended 31-Mar-16
A] Cash flow from operating activities:		
Net Loss before tax	(5,570,024,341)	(1,394,461,253)
Adjustments for:		
Depreciation	35,995,755	46,863,931
Interest and Financial charges (Net)	1,223,674,575	1,096,433,716
Interest Income	(11,309,562)	-
Sundry Balance Written Back	(280,644,278)	
Rent Income	(2,830,958)	-
Provision for Impairment	251,933,141	-
(Profit) / Loss on Sale Of Fixed assets	(1,597,480)	259,042
Finance income on preferrence shares	(25,543,172)	(23,900,970)
Acturial Gain	2,236,083	954,366
Operating profit before working cap. changes	(4,378,110,238)	(273,851,167)
Adjustments for:		
Increase / (Decrease) in Liabilities & Provisions	41,834,987	(90,989,246)
(Increase) / Decrease in Trade receivables	611,076,578	(547,807,054)
(Increase) / Decrease in Loans	3,120,951,782	(1,472,936,042)
(Increase) / Decrease in other Current assets	172,714,069	503,993
Increase / (Decrease) in Other Financial Liabiblity	31,655,206	
Increase / (Decrease) in Trade payable	(146,354,778)	5,820,082
(Increase) / Decrease in Other Non Current assets	(545,000)	(1,330,000)
(Increase) / Decrease in Other Financial Current assets	(316,689)	
(Increase) / Decrease in Inventories	375,323,861	854,086,923
Cash generated from operating activities	(171,770,221)	(1,526,502,513)
Income Tax paid (Net)	-	-
Net Cash (used) /Generated from operating activities	**(171,770,221)**	**(1,526,502,513)**
B] Cash flow from investing activities:		
Purchase of Fixed Asset	(1,754,880)	(1,553,465)
Sundry Balance Written Back	280,644,278	-
Rent Income	2,830,958	-
Interest Income	11,309,562	-
Sale of Fixed Assets	32,107,543	13,395,729
Net cash Generated from investing activities	**325,137,461**	**11,842,264**
C] Cash flow from financing activities:		
Proceed from Term Borrowings	1,053,186,368	2,477,400,050
Interest Paid	(1,223,674,575)	(1,096,433,716)
Net cash Generated / (Used) in financing activities	**(170,488,207)**	**1,380,966,334**
Net (decrease) / increase in cash & cash equivalents [A+B+C]	**(17,120,966)**	**(133,693,915)**
Cash and cash equivalents at the beginning of the period	21,732,882	155,426,796
Cash and cash equivalents at the end of the period	4,611,915	21,732,882
Net (decrease) / increase in cash & cash equivalents	**(17,120,966)**	**(133,693,915)**

NOTES TO CASH FLOW STATEMENT
1) Components of Cash and Cash Equivalents include Cash and Bank Balances in Current & Fixed deposits Accounts.
2) The Cash Flow Statement has been prepared in accordance with the requirements of Ind AS 7 - Statement Of Cash
3) Previous year's figures have been regrouped / restated whereever necessary.

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W

N B S & CO. MUMBAI FRN 110100W CHARTERED ACCOUNTANTS

Devdas Bhat
Partner
M. No. 48094

Place : Mumbai
Dated: 26 MAY 2017

For and on behalf of the Board

ALOK INFRASTRUCTURE LIMITED

Dhruva Das Mall (DIN: 03520970) — **Director**

Sohanlal V. Shah (DIN: 03018423) — **Director**

Prasad B Keni (DIN: 01167158) — **Director**

CORPORATE INFORMATION

'Alok Infrastructure Limited is a public Limited company domiclied in India and incorporated under the provisions of the Companies Act, 1956 having Registered office at Tower B, Peninsula Business Park , G. K. Marg Lower Parel, Mumbai- 400013. The company is engaged into Real Estate projects and Retail.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on 26 May 2017.

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation:

i) Compliance with Ind AS:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, hereinafter referred to as Ind AS.

For all periods up to and including the year 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). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS.

These are the company's first financial statements prepared in accordance with Ind AS and Ind AS 101 - First-time Adoption of Indian Accounting Standards' (Ind AS 101) has been applied. The transition has been carried out from Indian GAAP (IGAAP). An explanation of how the transition to Ind AS has affected the reported balance sheet, profit or loss and cash flows of the company is provided in note 1 (w).

ii) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis, except for the following:

a. certain financial assets and liabilities that are measured at fair value;
b. assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
c. defined benefit plans - plan assets measured at fair value;

iii) Recent accounting pronouncements

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 for accounting periods beginning on or after April 01, 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 evaluating the requirements of the amendment and the effect on the Financial Statements is being evaluated.

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Amendment to Ind AS 102:
Company does not have any impact on the Financial Statements on account of this pronouncement.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is current when:

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

The Company classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

c) Revenue recognition:

i) Timing of recognition:
Revenue from construction contracts is recognised by adopting "Percentage Completion Method". It is stated on the basis of physical measurement of work actually completed at the balance sheet date, taking into account contract price and revision thereto.

Revenue from sale of Goods is recognised when earned and no significant uncertainty exists as to its realization. Sales are recognised on delivery of merchandise to the dealers, when significant risks and rewards are transferred and no effective ownership control is retained. Also refer 12 (b) below for stock correction policy.

Sales are net of discounts and sales returns. Value Added Tax and Sales Tax are reduced from Turnover. Discounts include Minimum Earnings Assurance (MEA) rebate given to the customers.

d) Income taxes:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- **Current tax**

Current 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 where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

- **Deferred tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

e) Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:
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.

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Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Company as a lessor:
Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

f) Property, Plant and Equipment

i) Tangible assets:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value:
Fixed assets are carried at their original cost of acquisition less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition and include all expenses incurred up to the date of launching new stores to the extent they are attributable to the new store.

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The advances paid for the acquisition and development of Land has been classified as Advance for Capital Expenditure and has been grouped under Long Term Loans & Advances as per the requirement of Schedule III to the Companies Act, 2013.

Depreciation is provided on straight line method in the manner specified in Part C of Schedule II to the Companies Act, 2013 The assets are depreciated from the month in which they are capitalized.

Transition to Ind AS:
On transition to Ind AS, the Company has elected to fair value property, plant and equipment recognised as at April 01, 2015 and considered the same as the deemed cost as per Ind AS.

ii) Intangible assets:
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible Assets having finite useful life are amortised on the straight line method as per following estimated useful life:

Asset category	Estimated useful life
Computer software	6 years
Brands	10 years

The residual values, useful lives and method of depreciation of intangible assets are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

Intangible assets having indefinite useful life are tested for impairment at least once in an accounting year regardless of indicators of impairment.

Transition to Ind AS:
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2015 measured as per IGAAP as the deemed cost as per Ind AS.

g) Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs and are carried at cost less accumulated depreciation and accumulated impairment losses.

Transition to Ind AS:
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2015 measured as per IGAAP as the deemed cost as per Ind AS.

h) Impairment of fixed assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

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i) Investments and other financial assets:

Classification:
The Company classifies its financial assets in the following measurement categories:
- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and
- ii) Those measured at amortised cost.

The classification depends on business model of the entity for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income.

For investments in debt instruments, it depends on the business model in which the investment is held.

For investments in equity instruments, it depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement:
Financial assets are recognised when the Company becomes a party to the contractual terms of the instrument.

Transaction Cost
Financial assets are recognised initially at fair value plus/minus (in the case of financial assets are not recorded at fair value through profit or loss) transaction costs that are attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss.

Subsequent measurement:
After initial recognition, financial assets are measured at:

- i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,
- ii) Amortised cost

Debt instruments:
Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:
Debt instruments that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in Profit or Loss.

Measured at fair value through Other Comprehensive Income (OCI):
Debt instruments that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI (net of taxes). Interest income measured using the EIR method and impairment losses, if any are recognised in Profit or Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to Profit or Loss.

Measured at fair value through profit or loss:

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A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in Profit or Loss.

Equity instruments:
The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and Joint Venture Company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Profit or Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in Profit or Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies and associate company:
Investments in subsidiary companies and associate company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies and associate company, the difference between net disposal proceeds and the carrying amounts are recognised in Profit or Loss.

Impairment of financial assets:
The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 44 details how the Company determines whether there has been a significant increase in credit risk. For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition:
A financial asset is de-recognised only when

i) The Company has transferred the rights to receive cash flows from the financial asset ,or
ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities & Equity instruments:
i) Classification as debt or equity - Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement - Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement - Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in Profit or Loss.

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iv) De-recognition - A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

j) 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 the principal market, in the most advantageous market for the asset of liability.

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

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

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

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

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

- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

External Valuers are involved for valuation of significant assets such as certain items or property, plant and equipment. For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

k) Inventories:

a) Stores and Construction Materials are valued and stated at lower of cost or net realisable value. The FIFO method of inventory valuation is used to determine the cost.

   Work-in-Progress on construction contracts reflects value of material inputs and expenses incurred on contracts.

b) Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

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l) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

m) Trade receivable:

Trade receivables are initially recognised at fair value of the revenue. Subsequently, trade receivables are stated at cost less provision for impairment, if any.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed and individual limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The Company applies expected credit losses (ECL) model for measurement and recognition of provision / loss allowance on the Trade receivables.

As a practical expedient, the Company uses a provision matrix to measure ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default floating rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in Profit or Loss under the head 'Other expenses'.

n) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

o) Derivatives and hedging activities:

The Company enters into derivative financial instruments to hedge its exposure to movements in interest rates and foreign exchange rates. These are not intended for trading or speculative purposes.

i) **Financial assets or financial liabilities, at fair value through profit or loss**
This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in Profit or Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets | liabilities in this category are presented as current assets | current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

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p) Government Grants:

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFs), are accounted for when it is reasonably certain that ultimate collection will be made. The interest subsidy is reduced from the interest cost.

q) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

s) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

t) Employee benefits:

Short-term employee benefits:

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All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred. Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:
The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined contribution plan:
Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:
Gratuity:
Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

u) Earnings per share:

Earnings per share (EPS) 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. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period. The treasury shares are not considered as outstanding equity shares for computing EPS.

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v) Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. The areas involving critical estimates or judgements are:

i) Estimation of useful life of tangible assets: Note 1(f)

ii) Estimation of defined benefit obligation: Note 1 (t)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

w) First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For period up to and including the year 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 (IGAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 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 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the Balance Sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions applied:

i. **Business Combination exemption**
The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations prior to April 1, 2015 (the Transition date"), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under IGAAP. The Company has also applied the exemption for past combinations to acquisitions of investments in subsidiaries/associates/joint ventures consummated prior to the Transition Date.

ii. **Share-based payment transactions**
Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has opted not to restate options vested before April 1, 2015.

iii. **Fair Value as deemed cost exemption**
The Company has elected to fair value property, plant and equipment recognised as at April 01, 2015 and considered the same as the deemed cost as per Ind AS.

iv. **Investments in subsidiaries and associates**
The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

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Exceptions applied:

i. **De-recognition of financial assets and liabilities exception**
Financial assets and liabilities derecognised before 1 April 2015 are not re-recognised under Ind AS. The Company has not chosen to apply the Ind AS 109 Financial Instruments de-recognition criteria to an earlier date. No significant were identified that has to be assessed under this exception.

ii. **Impairment of financial asset**
The Company has applied the impairment requirements of Ind AS retrospectively based on the facts and circumstances existing on transition date.

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Notes to financial statements for the year ended 31 March 2017

NOTE 2
PROPERTY,PLANT & EQUIPMENT

Particulars	Air Conditioner	Borewell	Computers & Peripherals	Electrical Fittings	Factory Building	Building	Furniture & Fixtures	Motor Car	Office Equipments	Plant & Machinery	Total
Gross block											
As at 1 April 2015	8,820,223	152,940	27,142,490	1,515,822	179,339,542	-	158,028,596	1,209,625	6,980,319	111,772,443	494,962,000
Additions during the year	-	-	-	-	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	-	2,108,804	-	-	-	2,108,804
As at 31 March 2016	8,820,223	152,940	27,142,490	1,515,822	179,339,542	-	155,919,792	1,209,625	6,980,319	111,772,443	492,853,196
											-
Additions during the year	-	-	-	-	-	193,264,631	-	-	-	-	193,264,631
Deletions during the year	-	-	124,800	-	-	-	10,781,573	-	28,560	-	10,934,933
As at 31 March 2017	8,820,223	152,940	27,017,690	1,515,822	179,339,542	193,264,631	145,138,219	1,209,625	6,951,759	111,772,443	675,182,894
Accumulated depreciation and amortisation											
As at 1 April 2015	1,968,659	36,182	20,799,482	646,591	41,281,120	-	114,764,776	562,179	2,426,999	34,830,135	217,316,123
Charge for the year	650,899.00	4,823.00	6,025,857.00	275,257.00	5,464,813.00	-	3,007,482.00	307,537.00	4,325,654.00	9,136,897.00	29,199,219
Depreciation on deletions	-	-	-	-	-	-	1,656,320	-	-	-	1,656,320
As at 31 March 2016	2,619,558	41,005	26,825,339	921,848	46,745,933	-	116,115,938	869,716	6,752,653	43,967,032	244,859,022
Charge for the year	650,899	4,823.00	-	275,256.00	5,464,813	193,264,631	2,490,816	307,537	-	67,805,411	270,264,186
Depreciation on deletions	-	-	124,800	-	-	-	8,194,043	-	28,560	-	8,347,403
As at 31 March 2017	3,270,457	45,828	26,700,539	1,197,104	52,210,746	193,264,631	110,412,711	1,177,253	6,724,093	111,772,443	506,775,805
Net carrying value											
As at 31 March 2017	5,549,766	107,112	317,151	318,718	127,128,796	-	34,725,508	32,372	227,666	-	168,407,089
As at 31 March 2016	6,200,665	111,935	317,151	593,974	132,593,609	-	39,803,854	339,909	227,666	67,805,411	247,994,174
As at 1 April 2015	6,851,564	116,758	6,343,008	869,231	138,058,422	-	43,263,820	647,446	4,553,320	76,942,308	277,645,877

Note: None of the Property,Plant & Equipment have been pledged as security for current or non-current borrowings.
The transfer of Capital WIP was made on 31.03.2017 hence no depreciation is charged for the year.

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NOTE 3
CAPITAL WORK-IN-PROGRESS

Particulars	Land	Total
Gross block		
As at 1 April 2015	193,264,631	193,264,631
Additions during the year		-
Deletions during the year		-
As at 31 March 2016	193,264,631	193,264,631
Additions during the year	-	-
Transfers made to Property, Plant & Equipment during the year	193,264,631	193,264,631
As at 31 March 2017	-	-
Carrying value		
As at 31 March 2017	-	-
As at 31 March 2016	193,264,631	193,264,631
As at 1 April 2015	193,264,631	193,264,631

NOTE 4
Investment property

Particulars	Land	School Building	Total
Gross block			
As at 1 April 2015	8,136,759,729	216,226,785	8,352,986,514
Additions during the year	1,553,465	-	1,553,465
Deletions during the year	13,202,289	-	13,202,289
As at 31 March 2016	8,125,110,905	216,226,785	8,341,337,690
Additions during the year	1,754,880	-	1,754,880
Deletions during the year	27,922,533	-	27,922,533
As at 31 March 2017	8,098,943,252	216,226,785	8,315,170,037
Accumulated depreciation and amortisation			
As at 1 April 2015	-	18,521,180	18,521,180
Charge for the year	-	6,956,308	6,956,308
Depreciation on deletions	-	-	-
As at 31 March 2016	-	25,477,488	25,477,488
Charge for the year	-	6,956,308	6,956,308
Depreciation on deletions	-	-	-
As at 31 March 2017	-	32,433,796	32,433,796
Net carrying value			
As at 31 March 2017	8,098,943,252	183,792,989	8,282,736,241
As at 31 March 2016	8,125,110,905	190,749,297	8,315,860,202
As at 1 April 2015	8,136,759,729	197,705,605	8,334,465,334

A charge is created on part of land for sanction of Bank loans (working capital Loan) Procured by Alok Industries Ltd. aggregating Rs. 2,338.75 Crores (Previous period Rs. 2,358.18 Crores).
A charge is created on part of land for sanction of Bank loans (Short term Loan) Procured by Alok Industries Ltd. aggregating Rs. 75.50 Crores (Previous period Rs. 75.50 Crores).

For Investment property existing as at 1 April 2015 (i.e. on date of transition to Ind AS), the Company has used Indian GAAP carrying value

Reconciliation of fair value:

Particulars	Investment property - Land	Investment property - Land	Total
Fair value as at 1 April 2015	8,136,759,729.00	197,705,605.00	8,334,465,334.00
Fair value difference	(11,648,824)	(6,956,308)	(18,605,132)
Fair value as at 31 March 2016	8,125,110,905.00	190,749,297.00	8,315,860,202.00
Fair value difference	(26,167,653)	(6,956,308)	(33,123,961)
Fair value as at 31 March 2017	8,098,943,252.00	183,792,989.00	8,282,736,241.00

NOTE 5
INTANGIBLE ASSETS

Particulars	Computer Software	Brands	Total
Gross block			
As at 1 April 2015	57,009,605.00	24,182,893.00	81,192,498
Additions during the year		-	-
Deletions during the year		-	-
As at 31 March 2016	57,009,605	24,182,893	81,192,498
Additions during the year	-	-	-
Deletions during the year	-	-	-
As at 31 March 2017	57,009,605	24,182,893	81,192,498
Accumulated depreciation and amortisation			
As at 1 April 2015	38,979,737.00	12,897,543.00	51,877,280
Charge for the year	8,564,187.00	2,144,217.00	10,708,404
Depreciation on deletions	-	-	-
As at 31 March 2016	47,543,924	15,041,760	62,585,684
Charge for the year	8,564,187	2,144,216	10,708,403
Depreciation on deletions	-	-	-
As at 31 March 2017	56,108,111	17,185,976	73,294,087
Net carrying value			
As at 31 March 2017	901,494	6,996,917	7,898,411
As at 31 March 2016	9,465,681	9,141,133	18,606,814
As at 1 April 2015	18,029,868	11,285,350	29,315,218

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31-MAR-2017

Particulars	Friday, March 31, 2017	Thursday, March 31, 2016	Tuesday, March 31, 2015
NOTE 6			
INVESTMENTS			
a) Investments in Equity Instruments			
In Subsidiary Companies - Unquoted (Trade)			
Alok Industries International Ltd. [50,000 (previous year 50,000) Equity Shares of USD 1/- each]	2,541,500	2,541,500	2,541,500
Less: Provision	(2,541,500)	(2,541,500)	(2,541,500)
	-	-	-
Grabal Alok International Limited [50,025 (previous year 50,025)Equity Shares of USD 1/- each]	2,542,771	2,542,771	2,542,771
Less: Provision	(2,542,771)	(2,542,771)	(2,542,771)
	-	-	-
In Associates- Unquoted (Trade)			
Alspun Infrastructure Limited [1,00,000 (previous year 1,00,000) Equity Shares of Rs.10/- each]	90,734,973	90,734,973	90,734,973
Ashford Infotech Private Limited [25,00,000 (Previous year 25,00,000) Equity Shares of Rs.10/- each]	515,567,006	515,567,006	515,567,006
b) Investment in Preference shares			
Ashford Infotech Private Limited [5,00,000 (Previous year,5,00,000) Redeemable Preference Shares of Rs. 10/- each]	255,306,193	238,261,812	222,313,237
Alspun Infrastructure Limited [22,65,000 (Previous year,22,65,000) Redeemable Preference Shares of Rs. 10/- & premium 314.30 each]	127,302,624	118,803,832	110,851,437
Grabal Alok International Limited [1,48,95,022 (Previous year 1,48,95,022) Redeemable Preference Shares of USD 1/- each]	693,444,561	693,444,561	693,444,561
Less: Provision	(693,444,561)	(693,444,561)	(693,444,561)
	-	-	-
TOTAL	988,910,796	963,367,623	939,466,653
NOTE 7			
NON CURRENT LOANS			
Deposits			
Unsecured,Considered Good	-	27,175,777	30,823,745
Others Considered as Doubtful	27,175,777	-	-
Less: Provision for Deposits	(20,569,186)	-	-
	6,606,592	-	-
TOTAL	6,606,592	27,175,777	30,823,745
NOTE 8			
OTHER NON-CURRENT ASSETS			
Capital Advances	189,867,131	189,322,131	187,992,131
TOTAL	189,867,131	189,322,131	187,992,131
NOTE 9			
INVENTORIES			
Construction Work in Progress	31,400,164	405,698,076	405,698,076
Finished Goods	7,925,113	8,951,061	67,957,780
Construction project	1,504,999,897	1,504,999,897	2,300,080,102
TOTAL	1,544,325,174	1,919,649,035	2,773,735,958

Construction Project Includes Rs. 64.60 crores Secured by first charge on three floors of Peninsula Business Park and Rs. 51.59 crores secured by second charge on one floor of Peninsula Business Park for security of demand loans obtained by Alok Industries Ltd.

Particulars	Friday, March 31, 2017	Thursday, March 31, 2016	Tuesday, March 31, 2015
NOTE 10			
TRADE RECEIVABLES			
Unsecured, considered Good	21,388,341	632,464,920	84,657,865
Doubtful	742,746,350	136,972,537	60,299,308
Less :Provision For Doubt Debts	(742,746,350)	(136,972,537)	(60,299,308)
	-	-	-
TOTAL	21,388,341	632,464,920	84,657,865

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NOTE 11			
CASH AND CASH EQUIVALENTS			
Cash on Hand	36,411	215,163	62,359
Bank Balances :			
a) With Scheduled Banks :			
- In Current Accounts	2,355,504	19,297,719	153,144,439
- In Fixed Deposit Accounts	2,220,000	2,220,000	2,220,000
TOTAL	4,611,915	21,732,882	155,426,797

Details of Specified Bank Notes (SBN) held and transacted during the period 8 November 2016 to 30 December 2016 as provided in the table below:

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 8 November 2016			201,123.00
Add: Permitted receipts		50,000.00	50,000.00
Less: Permitted payments		-	-
Less: Amount deposited in banks (Denomination of Rs. 1000/Rs. 500)	34,000.00	50,000.00	84,000.00
Closing cash in hand as on 30 December 2016		-	167,123.00

NOTE 12			
LOANS - CURRENT			
Loans to Related Parties			
Unsecured, considered good	3,126,670,644	3,115,031,259	1,542,466,700
Less : Provision	(3,112,021,981)	-	-
	14,648,662	3,115,031,259	1,542,466,700
TOTAL	14,648,662	3,115,031,259	1,542,466,700

NOTE 13			
OTHER FINANCIAL ASSETS			
Interest Receivable on Deposit	777,880	777,880	639,076
Subsidy Receivable	6,364,488	6,364,488	7,007,278
Export Incentives Receivable	21,431	21,431	21,431
Loans to Staff	14,058	340,165	580,629
Less: Provision for Subsidy Receivable	(6,364,488)	(7,007,284)	(7,007,278)
Less:Provision for Export Incentives Receivable	(21,431)	(21,431)	(21,431)
TOTAL	791,938	475,249	1,219,705

NOTE 14			
CURRENT TAX ASSETS (NET)			
Advance Tax & TDS	42,565,640	144,186,388	195,401,233
TOTAL	42,565,640	144,186,388	195,401,233

NOTE 15			
OTHER CURRENT ASSETS			
Advance With Excise Dept. (Own)	9,906,398	1,595,853	1,595,853
Advance to Creditors	118,856,738	187,797,604	221,875,958
Advance to Others	651,537,326	662,000,326	672,377,395
Prepaid Expenses	-	-	69,817
TOTAL	780,300,462	851,393,783	895,919,023

NOTE 16			
EQUITY SHARE CAPITAL			
Authorised :			
8,80,50,000 (Previous period 8,80,50,000) Equity shares of Rs.10/- each	880,500,000	880,500,000	880,500,000
Issued, Subscribed and Paid up :			
Equity Share Capital			
50,000 Equity shares of Rs. 10/- each fully paid (Out of the above, 600 fully paid equity shares are held by the holding Company Alok Industries Ltd through declaration of beneficial interest as per Section 89 of Companies Act, 2013 and 49,400 equity shares are held by the holding Company - Alok Industries Limited)	500,000	500,000	500,000
A) No. of Shares held by Holding Company	49,400	49,400	49,400
No. Of Shares held by Holding Company through declaration of beneficial interest by directors of the Company as per Section 89 of Companies Act 2013	600	600	600
TOTAL	50,000	50,000	50,000
B) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held.			
Alok Industries Ltd	49,400	49,400	49,400
C) Reconciliation of Equity shares outstanding at the beginning & at the end of the period.			
	No. of Shares	**No. of Shares**	**No. of Shares**
At the beginning of the period	50,000	50,000	50,000
Issued during the period	-	-	-
Oustanding at the end of the period	50,000	50,000	50,000

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NOTE 17 **OTHER EQUITY**			
Capital Reserve	395,666,526	395,666,526	395,666,526
Revaluation Reserve	371,216,262	371,216,262	371,216,262
Surplus / (deficit) in Statement of Profit & Loss			
Opening Balance	(2,499,072,132)	(1,440,476,860)	(788,725,180)
ADD: IND AS ADJ			
Less: Loss during the year	(3,994,980,273)	(1,058,595,272)	(651,751,680)
Add: Revaluation Reserved Utilised			
Less: adjusted against Revaluation Reserve		-	-
	(6,494,052,405)	**(2,499,072,132)**	**(1,440,476,860)**
TOTAL	**(5,727,169,617)**	**(1,732,189,344)**	**(673,594,072)**
NOTE 18 **BORROWINGS -NON CURRENT**			
Term Loans, Unsecured			
From Holding company	14,318,423,512	13,260,501,794	11,860,177,277
From Subsidiary company	27,056,807	27,056,807	27,056,807
TOTAL	**14,345,480,319**	**13,287,558,601**	**11,887,234,084**
NOTE 19 **OTHER FINANCIAL LIABILITIES- NON CURRENT**			
Deposits Received , Unsecured	191,186	191,186	10,766,570
TOTAL	**191,186**	**191,186**	**10,766,570**
NOTE 20 **PROVISIONS**			
Provision For Gratuity & Leave Encashment	245,237	(96,449)	524,078
TOTAL	**245,237**	**(96,449)**	**524,078**
NOTE 21 **DEFERRED TAX LIABILITIES (NET)**			
Deferred Tax Liability (DTL)			
Property, plant & equipment and intangible assets other than land	17,658,849	36,062,486	36,839,814
land	2,282,005,460	2,289,561,387	2,301,059,532
Investment in associate- alspun	27,728,107	27,728,107	27,728,107
Investment in associate- ashford	151,585,205	151,585,205	151,585,205
Loan from Alok Industries	795,438,010	1,135,434,484	1,441,956,542
	3,274,415,630	**3,640,371,669**	**3,959,169,200**
Deferred Tax Asset (DTA)			
Provision for gratuity& Leave Encahsment	79,413	62,394	254,940
Prov for Deposits & Advance given	6,408,719	-	-
Provision for subsidy receivable	6,622	6,622	6,622
Provision for Export Incentives Receivable	1,966,627	2,165,251	2,165,249
Provision for doubtful debts	1,191,123,414	42,324,514	18,632,486
Provision for impairment (building)	59,718,771	-	-
Dim in the value of investments	215,845,409	215,845,409	215,845,409
redeemable Preferrence shares-ashford	123,459,036	128,725,750	133,653,860
redeemable Preferrence shares-alspun	16,221,689	18,847,816	21,305,106
	1,614,829,702	**407,977,756**	**391,863,673**
Total Deferred Tax Liabilities (Net)	**(1,659,585,928)**	**(3,232,393,913)**	**(3,567,305,528)**
NOTE 22 **BORROWINGS- CURRENT**			
Loans & advances from Others	550,000,000	550,000,000	-
Secured Loans			
Loans & advances from Financial Banks	800,000,000	804,735,349	-
16.75% Secured Non Conv. Debentures	-	-	260,000,000
(Secured against 8th floor of Peninsula Business Park and 1st, 2nd and 7th Floor of Ashford Center - Stock in trade)			
Loans & advances from Related Parties	-	-	17,659,813
TOTAL	**1,350,000,000**	**1,354,735,349**	**277,659,813**

Note:
Loans & Advances from Financial Banks includes loan solely obtained from Axis Bank. This loan is secured by hypothecation by way of first charge on entire current assets & subservient charge basis on the casdhflow generated from the sale of residential units in 'Ashford Royale'. All Movable Properties are also hypothecated in favor of Axis bank.

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NOTE 23 **TRADE PAYABLES**			
Trade Payables	120,431,118	266,785,896	260,965,814
TOTAL	**120,431,118**	**266,785,896**	**260,965,814**
NOTE 24 **OTHER FINANCIAL LIABILITIES**			
Current maturities of long-term debt from Bank	40,463,194	91,919,747	116,376,274
Temporary overdrawn bank balance	14,306,155	18,016,361	48,054,612
Creditors for Capital goods	300,000	8,505,910	5,805,910
Creditors For Others	16,650,521	12,890,198	4,046,049
Interest Accrued But Not Due	91,267,552	-	-
TOTAL	**162,987,423**	**131,332,216**	**174,282,845**
NOTE 25 **OTHER CURRENT LIABILITIES**			
Advance Received from Customers	106,365,355	42,836,898	69,314,538
Creditors For Statutory Liabilities	34,400,821	47,929,729	58,292,199
TOTAL	**140,766,175**	**90,766,627**	**127,606,737**
NOTE 26 **PROVISIONS**			
Provision for Gratuity and compensated absences	11,764	298,372	300,972
Other Provision	28,861	8,248,501	8,248,501
TOTAL	**40,625**	**8,546,873**	**8,549,473**

Particulars	**For the Year ended 31 Mar 2017**	**For the period ended 31 Mar 2016**
NOTE 27 **REVENUE FROM OPERATIONS**		
Income From Construction Activity	-	623,486,551
Sale of products (Net of returns)	1,454,939	611,756,403
Less: Sales Tax / Value Added Tax	-	-
TOTAL	**1,454,939**	**1,235,242,954**
NOTE 28 **OTHER INCOME**		
Interest From Bank FDR	-	139,838
Other Misc Receipt	-	531,829
Rent Received	2,830,958	111,936,516
Interest From Other	11,309,562	15,767,419
Finance Income on preference shares	25,543,173	23,900,970
Sundry Balance Written Back	280,644,278	-
TOTAL	**320,327,971**	**152,276,572**
NOTE 29 **COST OF MATERIAL CONSUMED**		
Construction (Civil) Charges	-	736,618
VAT Refund	(3,369,825)	-
Purchase Of Other Building Material	65,863,172	-
Purchase Of Steel	169,823,694	-
	232,317,041	**736,618**
NOTE 30 **CHANGE IN STOCK OF FINISHED GOODS AND PROCESS STOCK**		
Closing Stock as on 31.03.2017		
Process Stock	31,400,164	405,698,076
Finished Goods	7,925,113	8,951,061
Construction Project	1,504,999,897	1,504,999,897
Less : Opening Stock as on 01.04.2016		
Process Stock	(405,698,076)	(405,698,076)
Finished Goods	(8,951,061)	(67,957,780)
Construction Project	(1,504,999,897)	(2,300,080,102)
TOTAL	**(375,323,861)**	**(854,086,923)**

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NOTE 31		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	2,511,300	10,805,775
Contribution to Providend Fund and Other Funds	2,527,478	381,115
Employees Welfare Expenses	307,230	50,768
TOTAL	5,346,008	11,237,658
NOTE 32		
FINANCE COST		
Interest On Late Payment	1,921,709	-
Interest On Term Loan (Kvb)	14,408,447	14,406,773
Interest On Non Convert. Debentures	-	15,235,102
Interest From Other	-	(124,279)
Interest On Demand Loan	107,032,203	74,935,349
Interest To Others	1,100,312,215	991,980,771
TOTAL	1,223,674,575	1,096,433,716
NOTE 33		
OTHER EXPENSES		
Business Promotion Expenses	252,000	334,645
Commission Or Brokerage On Sales	33,664	-
Communication Expenses	24,948	109,887
Conveyance Expenses	19,014	-
Electricity Expenses		765,641
Fees Rates & Taxes	109,731	17,359,255
Freigth Coolie & Cartage	49,700	438,757
Provision for Impairment Of Assets	251,933,141	-
Insurance Charges	285,358	553,478
Legal & Profession Fees	1,109,698	5,274,126
Auditors' Remuneration		
- Audit Fees	650,000	650,000
- Tax Audit Fees	100,000	100,000
- Certification		
	750,000	**750,000**
Loss On Sale Of Assets	1,597,480	259,042
Purchase Of Stores	-	117,820
Rent	-	2,968,403
Repairs & Maintenance	22,785,197	38,299,837
Security Expenses	158,765	232,218
Taxation	11,445	-
Travelling Expenses	19,856	248,624
Prov. for bad and doubtful debts	3,738,535,987	-
Provision For Deferred Tax	-	-
Exchange Rate Diff.	1,066,500	-
Advertisement		-
Provision for Subsidy Receivable		-
Misc. Exp	407,527	99,541,282
(Miscellaneous Expenses includes Bank Charges, Printing and Stationary,Motor Car Exp, Vehicle Exp, Telephone Exp etc.)		-
TOTAL	4,019,150,011	167,253,014
NOTE 34		
Other Comprehensive Income		
Remeasurement on account of actuarial gain / loss	2,236,083	954,366
Deferred tax on same	(690,950)	(294,899)
TOTAL	1,545,133	659,467

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Note 35: Fair value of financial assets and liabilities

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Sr. No.	Particulars	Carrying value		
		31 March 2017	31 March 2016	1 April 2015
	Financial Asset			
(a)	**Carried at amortised cost**			
(i)	Investment in preference shares	382,608,817	357,065,644	333,164,674
(ii)	Trade receivable *	21,388,341	632,464,920	84,657,865
(iii)	Security deposits	6,606,592	27,175,777	30,823,745
(iv)	Loans to related parties	14,648,662	3,115,031,259	1,542,466,700
(v)	Other receivables	791,938	475,249	1,219,705
(vi)	Cash and cash equivalent *	4,611,915	21,732,882	155,426,797
	Financial Liabilities			
a)	**Carried at amortised cost**			
(i)	Borrowings	15,750,249,668	14,752,230,058	12,329,324,783
(ii)	Trade payable *	120,431,118	266,785,896	260,965,814
(iii)	Security deposits	191,186	191,186	10,766,570
(iv)	Other payables	108,218,074	21,396,108	9,851,959

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuations, including independent price validation for certain instruments. Further, in other instances, Company retains independent pricing vendors to assist in corroborating the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:
* The company has not disclosed the fair values of trade payables, trade receivables, cash and cash equivalents, because their carrying amounts are reasonable approximation of fair value.

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the company based on parameters such as interest rates, 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 credit losses of these receivables. As of reporting date the carrying amounts of such receivables, net of allowances are not materially different from their calculated fair values.

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Note 36: Financial risk management policy and objectives

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise borrowings from banks, trade payables and security deposits. The main purpose of these financial liabilities is to finance Company's operations . Company's principal financial assets include investments, security deposit, , trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

i) Market risk

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. Market risk comprises three types of risk Interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, trade and other payables, investments, security deposit, trade and other receivables, etc.

The sensitivity analysis in the following sections relate to the position as at 31 March 2017 and 31 March 2016. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt, proportion of financial instruments in foreign currencies are all constant at 31 March 2017.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, other post retirement obligations and provisions Company's activities expose it to variety of financial risks, including effect of changes in foreign currency exchange rate and interest rate.

b) 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. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

Particulars	31 March 2017	31 March 2016	1 April 2015
Variable rate borrowings			
Term loan from banks	40,463,194	91,919,747	116,376,274
Loans repayable on demand	800,000,000	804,735,349	-

The Company is exposed to debt obligations with variable interest rates. Accordingly, interest rate sensitivity disclosure is applicable and disclosed below:

Particulars	2017 (In INR)	2016 (In INR)
Impact on profit after tax or equity		
Increase by 70 basis points	-4,065,320.47	-4,337,120.70
Decrease by 70 basis points	4,065,320.47	4,337,120.70

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed as per Company's established policy, procedures and control relating to customer credit risk management.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Company monitors ratings, credit spread and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

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iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from domestic banks at optimised cost. Company enjoys strong access to domestic and international capital market across debt, equity and hybrids.
The table summarises the maturity profile of group's financial liabilities based on contractual undiscounted payments

As at 31 March 2017							
Particulars	**Carrying amount**	**On demand**	**Less than 6 months**	**6-12 months**	**1-2 years**	**>2 years**	**Total**
Interest bearing borrowings	840,463,194.20	840,463,194.20					840,463,194.20
Other liabilities	14,345,671,504.16	191,185.63				14,345,480,318.53	14,345,671,504.16
Trade and other payable	933,721,521.97		120,431,118.18	263,290,403.79		550,000,000.00	933,721,521.97

As of 31 March 2016							
Particulars	**Carrying amount**	**On demand**	**Less than 6 months**	**6-12 Months**	**1-2 years**	**>2 years**	**Total**
Interest bearing borrowings	896,655,095.91	896,655,095.91					896,655,095.91
Other liabilities	13,287,749,786.74	191,185.63	.			13,287,558,601.11	13,287,749,786.74
Trade and other payable	946,964,991.87		266,785,896.00	130,179,095.87		550,000,000.00	946,964,991.87

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Note 37 : Impairment of financial assets: Expected credit loss

Provision for expected credit loss

	Particulars	Rating in Words	Rating in Numbers	Rules
a)	Related party	Standard	1	0.30%, 0.44%, 3.92%, 4.72% , 7.23% and 30.20% based on ageing from due date 0-90, 91-180, 181-365, 366-730, 731-1095, 1095 and above)
b)	General Parties	Standard	2	0.30%, 0.44%, 3.92%, 4.72% , 7.23% and 30.20% based on ageing from due date 0-90, 91-180, 181-365, 366-730, 731-1095, 1095 and above)
c)	Parties where in past write off is done	Sub-standard	3	0.31%, 0.46%, 4.11%, 4.95% , 7.57% and 31.64% based on ageing from due date 0-90, 91-180, 181-365, 366-730, 731-1095, 1095 and above)
d)	Parties affected due to present economic situations	Economic	4	0.32%, 0.48%, 4.30%, 5.17% , 7.91% and 33.08% based on ageing from due date 0-90, 91-180, 181-365, 366-730, 731-1095, 1095 and above) and additional provision on case to case basis.
e)	Parties has raised some dispute on any bill /bills	Disputed	5	100% for disputed amount for that bill / bills
f)	Parties informing their in ability due to financial stress	Poor	6	100% provision irrespective of ageing buckets

As at 31 March 2017

Reconciliation of loss provision

	Trade receivables	Others
Loss allowance as at 1 April 2015	60299308	705557541
Changes in loss allowance	76673229	6
Loss allowance as at 31 April 2016	136972537	705557547
Changes in loss allowance	605773813	3131948371
Loss allowance as at 31 April 2017	742746350	3837505918

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Note 38: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital , share premium and all other equity reserves. 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 and the requirements of the financial covenants. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	31 March 2017	31 March 2016	1 April 2015
Loans and borrowings	15,695,480,319	14,642,293,950	12,164,893,897
Trade payables	120,431,118	266,785,896	260,965,814
Other financial liability	163,178,608	131,523,402	185,049,415
Less: Cash and cash equivalents	4,611,915	21,732,882	155,426,797
Net debt	**15,974,478,129**	**15,018,870,366**	**12,455,482,329**
Equity	-5,726,669,617	-1,731,689,344	-673,094,072
Capital and net debt	**10,247,808,512**	**13,287,181,022**	**11,782,388,256**
Gearing ratio	155.88%	113.03%	105.71%

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NOTE 39 - ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

	Particulars	2016-17	2015-16	2014-15
	Contingent liabilities			
i)	Other Legal Cases (Matter Subjudice)			
	Peninsula Land limited (A winding up petition has been filed in the Hon'ble High Court, Bombay for recovery of electricity dues.	20,943,147	-	-
	Shreeji Textile Traders.	1,713,971	-	-
	(A winding up petition has been filed in the Hon'ble High Court, Bombay for recovery of dues in connection with supply of MS plates, MS Aqngles MS Beams)			
	Peninsula Land Limited	523,002,584	-	-
	(Arbitration proceeds initiated by PLL before the Tribunal towards VAT, ITFS and other related liabilities.)			
(b)	**Guarantees excluding financial guarantees**	-	-	-
(c)	**Other money for which the company is contingently liable**			
		545,659,702	-	-

Particulars	2016-17	2015-16
Remuneration to Auditors		
Statutory Auditors :		
a) Audit Fees	750,000	750,000
b) Tax Audit Fees	115,000	115,000
c) VAT Audit Fees		
d) Limited Review		
e) Certification services	34,500	829,126
d) Other services		
e) Expenses reimbursed		
Sub total	899,500	1,694,126

	Particulars	2016-17	2015-16
	Earning per Share (Basic)		
a)	Profit for the year before tax	(5,570,024,341)	(1,394,461,253)
	Less : Attributable Tax thereto	1,573,498,935	335,206,514
	Profit after Tax	(3,996,525,406)	(1,059,254,739)
b)	Weighted average number of equity shares used as denominator	50,000.00	50,000.00
c)	Basic earning per share of nominal value of Rs 10/- each	(79,931)	(21,185)

Employee Benefits :

i **Defined Contribution Plans:**
Amount of Rs.53,46,008/- (Rs. 1,12,37,658/-) is recognised as an expense and included in "Employees benefits expense" in the Profit and Loss Statement.

ii **Defined Benefit Plans:**
a) **The amounts recognised in Balance Sheet are as follows:**

Particulars	As at 31 March 2017	As at 31 March 2016
	Gratutity Plan (Funded)	Gratutity Plan (Funded)
Amount to be recognised in Balance Sheet		
Present Value of Defined Benefit Obligation	257,001	3,496,704
Less: Fair Value of Plan Assets	3,464,724	3,294,778
Amount to be recognised as liability or (asset)	(3,207,723)	201,926

b) **The amounts recognised in the Profit and Loss Statement are as follows:**

	Particulars	2016-17	2015-16
		Gratutity Plan (Funded)	Gratutity Plan (Funded)
1	Current Service Cost	23,508	303,212
2	Acquisition (gain)/ loss		
3	Past Service Cost		
3	Net Interest (income)/expenses	(78,832)	217,477
5	Actuarial Losses/(Gains)		(954,366)
6	Curtailment (Gain)/ loss		
7	Settlement (Gain)/loss		
8	Others		(259,970.00)
	Net periodic benefit cost recognised in the statement of	(55,324)	(693,647)

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c) **The amounts recognised in the statement of other comprehensive income (OCI)**

	Particulars	2016-17 Gratutity Plan (Funded)	2015-16 Gratutity Plan (Funded)
1	Opening amount recognised in OCI outside profit and loss account	-	-
2	Remeasurements for the year - Obligation (Gain)/loss	**(2,236,083)**	954,366
3	Remeasurement for the year - Plan assets (Gain) / Loss	-	-
4	Total Remeasurements Cost / (Credit) for the year	(2,236,083)	954,366
5	Less: Accumulated balances transferred to retained earnings	-	954,366
	Closing balances (remeasurement (gain)/loss recognised OCI	(2,236,083)	-

d) **The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:**

	Particulars	As at 31 March 2017 Gratutity Plan (Funded)	As at 31 March 2016 Gratutity Plan (Funded)
1	Balance of the present value of Defined benefit Obligation as at 01-04-2016	**2,296,198**	2,747,010
2	Acquisition adjustment		
3	Transfer in/ (out)		
4	Interest expenses	**181,270**	217,477
5	Past Service Cost		
6	Current Service Cost	**23,508**	303,212
7	Curtailment Cost / (credit)		
8	Settlement Cost/ (credit)		
9	Benefits paid		(17,135)
10	Remeasurements on obligation - (Gain) / Loss	**(2,326,239)**	(954,366)
	Present value of obligation as at the end of the period 31-03-2017	**174,737**	**2,296,198**

e) **Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:**

	Particulars	Gratuity Plan (Funded) As at 31 March 2017	Gratuity Plan (Funded) As at 31 March 2016
1	Fair value of the plan assets as at beginning of the period 01-04-2016	3,294,778	3,051,943
2	Acquition adjustment		
3	Transfer in/(out)		
4	Investment income	260102	-
5	Contributions		
6	Benefits paid		(17,135)
7	Amount paid on settlement		
8	Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(90,156)	259,970
9	Fair value of plan assets as at the end of the period 31.03.2017	3,464,724	3,294,778
10	Actual retuen on plan assets		

f) **Net interest (Income) /expenses**

	Particulars	Gratuity Plan (Funded) As at 31 March 2017	Gratuity Plan (Funded) As at 31 March 2016
1	Interest (Income) / Expense - Obligation	181,270	217,477
2	Interest (Income) / Expense - Plan assets		-
3	Net Interest (Income) / Expense for the year	181,270	217,477

g) **The broad categories of plan assets as a percentage of total plan assets as at 31-03-2016 of Employee's Gratuity Scheme are as under:**

Particulars	Percentage As at 31 March 2017	Percentage As at 31 March 2016
1 Central Government Securities	-	-
2 State Government Securities	-	-
3 Other Approved Securities (Government Gurarnted Securities)	-	-
4 Bondsand Debentures etc.	-	-
5 Fixed Deposits	-	-
6 Equity Shares	-	-
7 Money Market Instrument	-	-
8 Funds managed by Insurer	100.00%	100.00%
Grand Total	100%	100%

Basis used to determine the overall expected return:
The net interest approach effectively assumes an expected rate of return on plan assets equal to the beginning of the year Discount Rate. Expected return of 7.90% has been used for the valuation purpose.

h) **Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)**

1 Discount rate as at 31-03-2017 - 7.90%
2 Expected return on plan assets as at 31-03-2017 - 7.9%
3 Salary growth rate : For Gratuity Scheme - 9%
4 Attrition rate: For gratuity scheme the attrition rate is taken at 9.33%
5 The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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i) **The amounts pertaining to defined benefit plans are as follows:**

Particulars	As at 31 March 2017	As at 31 March 2016
	Gratuity Plan (Funded)	Gratuity Plan (Funded)
Defined Benefit Obligation	174,737	2,296,198
Plan Assets	3,464,724	3,294,778
Surplus/(Deficit)	3,289,987	998,580

j) **General descriptions of defined plans:**

1 **Gratuity Plan:**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

2 **Company's Pension Plan:**

The company operates a Pension Scheme for specified ex-employees wherein the beneficiaries are entitled to defined monthly pension.

k) The Company expects to fund Rs Nil.

l) **Sensitivity analysis**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligaion(PVO). Sensitivity analysis is done by varying (increasing/ decresing) one parameter by 100 basis points (1%)

	Change in assumption	Effect on gratuity obligation	
		As at 31 March 2017	As at 31 March 2016
1	**Discount rate**		
	Increase by 1% to 8.9%		
	Decrease by 1% to 6.9%		
2	**Salary increase rate**		
	Increase by 1% to 10.0%		
	Decrease by 1% to 8.0%		
3	**Withdrawal rate**		
	Increase by 1% to 8.0%		
	Decrease by 1% to 6.0%		

Related Party Disclosures

(A) Names of the related party and nature of relationship where control exists

Sr. No.	Name of the related party	Nature of relationship
1	Alok Industries Limited	Holding Company
2	Grabal Alok International Limited	Subsidiary Company
3	Mileta, a.s.	Subsidiary Company
4	Alok Industries International Limited	Subsidiary Company
5	Grabal Alok (UK) Limited	Subsidiary Company
6	Alok International Inc. (U.S.A)	Fellow Subsidary
7	Alok Singapore PTE Ltd.	Fellow Subsidary
8	Alok International (Middle East) FZE	Fellow Subsidary
9	Alok Global Trading (Middle East) FZE	Fellow Subsidary
10	Alok Global Singapore Pte. Ltd.	Fellow Subsidary
11	Alok Trading Singapore Pte. Ltd	Fellow Subsidary
12	Alok Merchant Singapore Pte. Ltd.	Fellow Subsidary
13	Alok Universal Singapore Pte. Ltd.	Fellow Subsidary
14	Alspun Infrastructure Limited	Associate
15	Ashford Infotech Private Limited	Associate
16	Alok Denims (India) Limited	Entity under Common Control
17	Alok Knit Exports Private Limited	Entity under Common Control
18	Alok Textile Traders	Entity under Common Control
19	Ashok B. Jiwrajka (HUF)	Entity under Common Control
20	Ashok Realtors Private Limited	Entity under Common Control
21	Nirvan Exports	Entity under Common Control
22	Pramatex Enterprises	Entity under Common Control
23	Surendra B. Jiwrajka (HUF)	Entity under Common Control
24	Trumphant Victory Holding Limited	Entity under Common Control
25	D. Surendra & Co.	Entity under Common Control
26	Dilip B. Jiwrajka (HUF)	Entity under Common Control
27	Avan Packaging and Exports	Entity under Common Control

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(B) Disclosure of related parties transactions

Sr No	Nature of transaction/relationship/major parties	2016-17		2015-16	
		Amount	Amount for Major parties *	Amount	Amount for Major parties *
1	**Purchase of goods & services**	-		-	
2	**Sale of goods/contract revenue & services**	-		3,486,551	
	Subsidiary/Fellow subsidiary Companies				
3	**Rendering Services**	2,720,521	2,720,521	85,863,917	85,863,917
	Subsidiary/Fellow subsidiary Companies				
4	**Receiving Services**	-		-	-
	Subsidiary/Fellow subsidiary Companies				
5	**Sale of Fixed Assets**	-		-	
	Subsidiary/Fellow subsidiary Companies				
6	**Investment Made**				
	Subsidiary/Fellow subsidiary Companies				
	Alsoun Infrastructure Ltd.	218,037,597	218,037,597	209,538,805	209,538,805
	Ashford Infotech Private Limited	770,873,198	770,873,198	753,828,818	753,828,818
7	**Dividend Paid**	-		-	
8	**Dividend Received**	-		-	
	Subsidiary/Fellow subsidiary Companies				
9	**Deposit Paid**	-		-	
	Subsidiary/ Fellow Subsidiary Company	-		-	
10	**Deposit Refunded**	-		-	
	Subsidiary/ Fellow Subsidiary Company				
11	**Advance Given**	30,136,500	30,136,500	1,572,506,030	1,572,506,030
	Subsidiary/ Fellow Subsidiary Company Alok Industries International Limited				
12	**Advance Returned**	29,070,000	29,070,000	-	-
	Subsidiary/ Fellow Subsidiary Company Alok Industries International Limited				

* Major parties denote entities who account for 10% or more of the aggregate for that category of transaction

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(C) Amount due to/from related parties

Sr No	Nature of transaction/relationship/major parties	2016-17		2015-16	
		Amount	**Amount for Major parties**	Amount	Amount for Major parties
1	**Accounts receivable**				
	Subsidiary/Fellow subsidiary Companies				
	Alok Industries International Ltd.	**3,112,021,981**	**3,112,021,981**	3,112,021,981	3,112,021,981
	Alspun Infrastructure Ltd.	**1,745,000**		1,745,000	
	Alok Knit Exports Ltd.	**12,834,000**		(20,000)	
	Avan Packing	**69,662**		69,662	
	TOTAL	**3,126,670,644**		**3,113,816,644**	
2	**Amount Due**				
	Alok Industries Ltd.	**14,318,423,512**	**14,318,423,512**	13,260,501,794	13,260,501,794
	Grabal Alok International Limited	**27,056,807**		27,056,807	
	TOTAL	**14,345,480,319**		**13,287,558,601**	

(D) Names of related parties with whom transactions have been entered into:

1) Holding company
Alok Industries Ltd

2) Subsidiary Companies
Alok Industries International Limited
Grabal Alok (UK) Limited

3) Entities Under common control
Alok Knit Exports Private Limited

ALOK INFRASTRUCTURE LIMITED

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ALOK INFRASTRUCTURE LIMITED
Notes to financial statements for the year ended 31 March 2017
(Amounts in Indian Rupees)

Note 40: Explanation of transition to Ind AS

These are Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Companies' (Indian Accounting Standards) Rules, 2015. In preparing the financial statements for the year ended 31 March 2016 and balance sheet as at 1 April 2015 (Date of transition), the Company has adjusted amounts reported previously in financial statements prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements for the year ended 31 March 2016.

Exemptions applied
Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has elected to apply the following exemptions:

1. Property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment & intangible assets as recognised in its Indian GAAP financials as deemed cost at the transition date.

2. Investment in joint venture to be carried at cost

The Company has elected to carry the investment in subsidiaries and associates at cost as at the transition date.

3. Investment in joint venture to be carried at cost

Exceptions applied

1. Estimates

Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by Indian GAAP.

Explanation of transition to Ind AS

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flow is set out in the following tables and notes that accompany the tables. The reconciliations include-

- equity reconciliation as at 1 April 2015;
- equity reconciliation as at 31 March 2016;
- profit reconciliation for the year ended 31 March 2016; and

There are no material adjustments to the cash flow statements
In the reconciliations mentioned above, certain reclassifications have been made from Indian GAAP financial information to align with the Ind AS presentation.

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Reconciliation of equity as previously reported under Indian GAAP to Ind AS

	Particulars	Notes	31 March 2016			1 April 2015		
			Indian GAAP	Effect of transition	Ind AS	Indian GAAP	Effect of transition	Ind AS
	ASSETS							
(1)	**Non-current assets**							
	Property, plant and equipment		8,563,854,376	(8,315,860,202)	247,994,174	8,612,111,211	(8,334,465,334)	277,645,877
	Capital work-in-progress		193,264,631		193,264,631	193,264,631		193,264,631
	Investment property		-	8,315,860,202	8,315,860,202	-	8,334,465,334	8,334,465,334
	Other intangible assets		18,606,814		18,606,814	29,315,218		29,315,218
	Financial assets					-		
	Investments	(b)	860,650,000	102,717,623	963,367,623	860,650,000	78,816,653	939,466,653
	Trade receivables		-		-	-		-
	Loans		27,175,777		27,175,777	30,823,745		30,823,745
	Others		-		-	-		-
	Deferred tax assets (net)	(d)	110,253,593	(110,253,593)	-	85,210,040	(85,210,040)	-
	Other non-current assets		189,322,131		189,322,131	187,992,131		187,992,131
	Total non-current assets		9,963,127,322	(7,535,970)	9,955,591,352	9,999,366,976	(6,393,386)	9,992,973,589
(2)	**Current assets**							
	Inventories		1,919,649,035		1,919,649,035	2,773,735,958		2,773,735,958
	Financial assets		-			-		
	Trade receivables		632,464,920		632,464,920	84,657,865		84,657,865
	Cash and cash equivalents		21,732,882		21,732,882	155,426,797		155,426,797
	Bank balances other than		-		-	-		-
	Loans		3,115,031,259		3,115,031,259	1,542,466,700		1,542,466,700
	Others		475,249		475,249	1,219,705		1,219,705
	Current tax asset (net)		144,186,388		144,186,388	195,401,233		195,401,233
	Other current assets		851,393,783		851,393,783	895,919,023		895,919,023
	Total current assets		6,684,933,515	-	6,684,933,515	5,648,827,281	-	5,648,827,281
	Total assets		16,648,060,837	(7,535,970)	16,640,524,867	15,648,194,256	(6,393,386)	15,641,800,870
	EQUITY AND LIABILITIES							
	Equity							
	Equity share capital		500,000		500,000	500,000		500,000
	Other equity	(b)(c)(d)	(2,166,804,716)	434,615,372	(1,732,189,344)	(1,766,421,185)	1,092,827,113	(673,594,072)
	Total equity		(2,166,304,716)	434,615,372	(1,731,689,344)	(1,765,921,185)	1,092,827,113	(673,094,072)
	Liabilities							
(1)	**Non-current liabilities**							
	Financial liabilities							
	Borrowings	(b)	16,962,103,857	(3,674,545,256)	13,287,558,601	16,553,760,111	(4,666,526,027)	11,887,234,084
	Trade payable		-		-	-		-
	Other financial liabilities		191,186		191,186	10,766,570		10,766,570
	Provisions		(96,449)		(96,449)	524,078		524,078
	Deferred tax liabilities (net)	(d)	(0)	3,232,393,914	3,232,393,913	(0)	3,567,305,528	3,567,305,528
	Other non-current liabilities		-		-	-		-
	Total non-current liabilities		16,962,198,593	(442,151,342)	16,520,047,251	16,565,050,759	(1,099,220,499)	15,465,830,260
(2)	**Current liabilities**							
	Financial liabilities							
	Borrowings		1,354,735,349		1,354,735,349	277,659,813		277,659,813
	Trade payables		266,785,896		266,785,896	260,965,814		260,965,814
	Other current financial liabilities		131,332,216		131,332,216	174,282,845		174,282,845
	Other current liabilities		90,766,627		90,766,627	127,606,737		127,606,737
	Provisions		8,546,873		8,546,873	8,549,473		8,549,473
	Total current liabilities		1,852,166,961	-	1,852,166,961	849,064,682	-	849,064,682
	Total liabilities		18,814,365,554	(442,151,342)	18,372,214,212	17,414,115,441	(1,099,220,499)	16,314,894,942
	TOTAL EQUITY AND LIABILITIES		16,648,060,837	(7,535,970)	16,640,524,867	15,648,194,256	(6,393,386)	15,641,800,870
			-	0	-	-		-

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Reconciliation of profit as previously reported under Indian GAAP to Ind AS

	Particulars		Year ended 31 March 2016		
			Indian GAAP	**Effect of transition**	**Ind AS**
(I)	Revenue from operations		1,235,242,954	-	1,235,242,954
(II)	Other income		128,375,602	23,900,970	152,276,572
(III)	**Total income**		1,363,618,556	23,900,970	1,387,519,526
(IV)	**Expenses**				
	Cost of materials consumed		736,618	-	736,618
	Purchases of Stock-in-Trade		605,368,919	-	605,368,919
	Changes in inventories of finished goods and work-in-progress		854,086,923	-	854,086,923
	Employee benefits expense	(a)	10,283,292	954,366	11,237,658
	Finance costs	(b)	104,452,945	991,980,771	1,096,433,716
	Depreciation and amortization expense		46,863,931	-	46,863,931
	Other expenses	(b)	167,253,014	-	167,253,014
	Total expense		1,789,045,642	992,935,137	2,781,980,779
(V)	**Profit / (loss) before tax**		(425,427,085)	(969,034,167)	(1,394,461,253)
(VI)	**Tax expenses**				
	Current tax				-
	Tax pertaining to prior years				
	Deferred tax	(d)	(25,043,554)	(310,162,960)	(335,206,514)
(VII)	**Profit (loss) for the period**		(400,383,532)	(658,871,207)	(1,059,254,739)
(VIII)	**Other comprehensive income**				
A	Items that will not be reclassified to profit or loss	(a)	-	954,366	954,366
	Income tax relating to items that will not be reclassified to profit or loss	(d)	-	(294,899)	(294,899)
B	Items that will be reclassified to profit or loss				
	Income tax relating to items that will be reclassified to profit or loss				
(IX)	**Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)**		(400,383,532)	(658,211,740)	(1,058,595,272)

Notes to the reconciliations:

(a) **Employee benefit expenses - actuarial gains and losses and return on plan assets**
Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

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The impact arising from this change is summarised as follows:

Statement of profit and loss	Year ended 31 March 2016
Profit and loss	
Employee benefits expense	954,366
Impact on profit or loss	**(954,366)**
Other comprehensive income	
Items that will not be reclassified to profit or	954,366
Impact on other comprehensive income	**954,366**
Impact on total comprehensive income	-

Actuarial gains and losses are recognised in other comprehensive income and transferred to retained earnings. Accordingly, this adjustment does not have any impact on equity.

(b) Loan from Alok Industries

Under Indian GAAP, interest free loan from Alok Industries was recorded at transaction price. Under Ind AS, interest free loans are treated as financial liability. Such liability is recorded at fair value at initial recognition and amortised cost using effective interest rate method on subsequent measurement.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Year ended 31 March 2016
Finance costs	991,980,771
Impact on profit or loss	**(991,980,771)**

Balance sheet	31 March 2016	1 April 2015
Borrowings - Non current	(3,674,545,256)	(4,666,526,027)
Impact on retained earnings	**3,674,545,256**	**4,666,526,027**

(c) Investment in preference shares

Under Indian GAAP, investment in preference shares is recorded at transaction price. Under Ind AS, investment in preference shares is treated as financial asset. Such asset is recorded at fair value at initial recognition and amortised cost using effective interest rate method on subsequent measurement. The difference between fair value and transaction price on initial recognition is recognised as additional investment in associates.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Year ended 31 March 2016
Other income	
- Alosun Infrastructure	7,952,394
- Ashford Infotech	15,948,576
Impact on profit or loss	**23,900,970**

Balance sheet	31 March 2016	1 April 2015
Investments - Non current		
Preference shares - Alosun and Ashford		
- Alosun Infrastructure	(60,996,168)	(68,948,563)
- Ashford Infotech	(416,588,188)	(432,536,763)
Equity investment - Alosun and Ashford		
- Alosun Infrastructure	89,734,973	89,734,973
- Ashford Infotech	490,567,006	490,567,006
Impact on retained earnings	**102,717,623**	**78,816,653**

(d) Deferred tax

Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. Under Ind AS, deferred taxes are recognised using balance sheet approach i.e. reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the income tax rates enacted or substantively enacted at reporting date. Also, deferred taxes are recognised on account of the above mentioned changes explained in notes (a) to (c), wherever applicable, are summarised below.

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The impact arising from this change is summarised as follows:

Statement of profit and loss	Year ended 31 March 2016
Deferred tax recognised in profit and loss	(310,162,960)
Impact on profit or loss	**310,162,960**
Deferred tax recognised in other comprehensive income	(294,899)
Impact on other comprehensive income	**(294,899)**
Impact on total comprehensive income	**309,868,061**

Balance sheet	31 March 2016	1 April 2015
Deferred tax		
Deferred tax asset reversal under Indian GAAP	(110,253,593)	(85,210,040)
Deferred tax liability created under Ind AS	3,232,393,914	3,567,305,528
Impact on retained earnings	**(3,342,647,507)**	**(3,652,515,568)**

(e) Investment property reclassification

Under Indian GAAP, there is limited guidance on investment property. Under Ind AS, investment property comprises of land or building held for earning rentals or for capital appreciation or both. Where a property is held for a currently undetermined future use, it is regarded as held for capital appreciation. Investment property is required to be measured at cost and is subsequently depreciated based on its useful life. Fair value of the investment property is to be disclosed at every reporting period end.

Balance sheet	31 March 2016	1 April 2015
Property, plant and equipment	(8,315,860,202)	(8,334,465,334)
Investment property	8,315,860,202	8,334,465,334

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W

Devdas Bhat
Partner
M. No. 48094

Place : Mumbai
Dated : 26 MAY 2017

NBS & CO. MUMBAI FRN 110100W CHARTERED ACCOUNTANTS

For and on behalf of the Board

ALOK INFRASTRUCTURE LIMITED

Dhruva Das Mali Director
(DIN: 03520970)

Sohanlal V. Shah Director
(DIN: 03013423)

Prasad B Keni Director
(DIN: 01167158)