

GRABAL ALOK INTERNATIONAL LIMITED

BALANCE SHEET AS AT 31 MARCH 2017

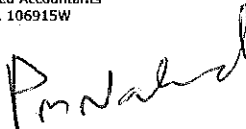
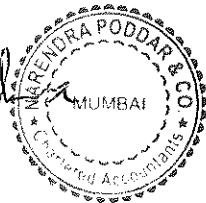
PARTICULARS	NOTES	AS AT 31-Mar-17 Rupees	AS AT 31-Mar-17 USD	AS AT 31-Mar-16 Rupees	AS AT 31-Mar-16 USD	AS AT 31-Mar-15 Rupees	AS AT 31-Mar-15 USD
ASSETS							
(1) Non-current assets							
a) Financial Assets							
Investments	3	1,201,140,759	18,525,211	3,747,808,850	56,500,000	3,536,380,200	56,500,000
(2) Current Assets							
a) Financial Assets							
i) Cash and Cash Equivalents	4	-	-	7,941	120	626,000	10,001
ii) Loans	5	37,492,515	578,244	38,356,585	578,244	36,192,739	578,244
TOTAL		1,238,641,274	19,103,455	3,786,173,376	57,078,364	3,573,198,939	57,088,245
LIABILITIES							
(1) EQUITY							
a) Share capital	6	710,259,110	14,945,047	1,212,348,648	26,915,599	1,212,348,648	26,915,599
b) Other equity	7	(5,569,054,002)	(89,881,811)	(5,284,758,486)	(88,309,115)	(4,758,007,998)	(83,563,851)
		(4,858,794,892)	(74,936,764)	(4,072,409,838)	(61,393,516)	(3,545,659,350)	(56,648,252)
(2) Non-current liabilities							
a) Financial liabilities							
Borrowings	8	4,759,401,618	73,403,831	4,869,088,962	73,403,831	4,594,404,487	73,403,831
(3) Current liabilities							
a) Financial liabilities							
i) Borrowings	9	1,337,750,710	20,632,011	2,989,241,653	45,064,239	2,523,779,642	40,321,895
ii) Trade payable	10	250,419	3,862	239,707	3,616	674,160	10,771
b) Other current liabilities	11	33,419	515	12,892	194	-	-
TOTAL		1,238,641,274	19,103,455	3,786,173,376	57,078,364	3,573,198,939	57,088,245

Notes forming part of the financial statements

1 to 25

As per our report of even date

For Narendra Poddar & Co.
Chartered Accountants
FRN No. 106915W

Narendra Poddar, Proprietor
Membership No. 41256

Mumbai, 9th May 2017

For and on behalf of the Board



Director



Director

GRABAL ALOK INTERNATIONAL LIMITED

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

PARTICULARS	NOTES	12 Months Ended 31-MAR-17		12 Months Ended 31-MAR-16	
		Rupees	USD	Rupees	USD
I INCOME					
Other income	11	-	-	637,784	9,742
II Total		-	-	637,784	9,742
III EXPENSES					
Finance costs	12	105,201,485	1,568,074	310,666,006	4,745,813
Other expenses	13	310,203	4,622	601,768	9,193
IV Total		105,511,688	1,572,696	311,267,774	4,755,006
V LOSS FOR THE PERIOD (II-IV)		(105,511,688)	(1,572,696)	(310,629,990)	(4,745,264)
VI Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss		-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
B (i) Items that will be reclassified to profit or loss					
- Net exchange Profit/Loss on translation		(178,783,828)	-	(216,120,498)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
VII TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(284,295,516)	(1,572,696)	(526,750,488)	(4,745,264)
VIII EARNINGS PER SHARE (FOR CONTINUING OPERATIONS)					
Basic		(2,109.18)	(31.44)	(6,209.50)	(94.86)
Diluted		(2,109.18)	(31.44)	(6,209.50)	(94.86)

Notes forming part of the financial statements

1 to 25

As per our report of even date

For Narendra Poddar & Co.
Chartered Accountants
FRN No. 106915W

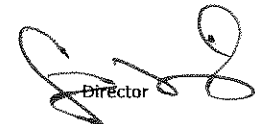
 

Narendra Poddar, Proprietor
Membership No. 41256

Mumbai, 9th May 2017

For and on behalf of the Board


Director


Director

GRABAL ALOK INTERNATIONAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

PARTICULARS	12 Months Ended 31-MAR-17		12 Months Ended 31-MAR-16	
	Rupees	USD	Rupees	USD
A) Cash Flow from Operating Activities				
Loss for the period	(105,511,688)	(1,572,696)	(310,629,990)	(4,745,264)
Adjustments for :				
Unrealised exchange (gain) / loss	4,261	64	(48,295)	(780)
Interest income	-	-	-	-
Finance costs	105,201,485	1,568,074	310,666,006	4,745,813
Provision for diminution in value of investment (Refer note no. 18)	-	-	-	-
Operating loss before working capital changes	(305,942)	(4,558)	(12,279)	(231)
Adjustments for :				
(Decrease) / increase in current liabilities	38,040	567	(455,674)	(6,961)
Decrease in loans and advances	-	-	-	-
Net cash generated from / (used in) operating activities (A)	(267,902)	(3,991)	(467,953)	(7,192)
B) Cash flow from investing activities				
Purchase of investment	2,547,713,341	37,974,789	-	-
Interest received	-	-	-	-
Fixed Deposits matured	-	-	-	-
Net cash generated from / (used in) investing activities (B)	2,547,713,341	37,974,789	-	-
C) Cash flow from financing activities				
proceeds from long-term borrowings	(803,099,526)	(11,970,552)	4,805,093,150	73,403,832
Repayment of long-term borrowings	4,924,633,606	73,403,832	(4,805,093,085)	(73,403,832)
Finance costs	(4,924,633,538)	(73,403,832)	(310,666,006)	(4,745,813)
Short term borrowing (net)	(105,201,485)	(1,568,074)	310,438,897	4,742,344
	(1,639,148,363)	(24,432,228)	-	-
Net cash (used in) / generated from Financing activities (C)	(2,547,449,307)	(37,970,854)	(227,044)	(3,469)
Net decrease in Cash and Cash equivalents (A+B+C)	(3,867)	(56)	(694,997)	(10,661)
Cash and Cash equivalents at the beginning of the period	3,683	56	670,037	10,717
Effect of exchange rate change on cash and cash equivalent	184	-	28,643	-
Cash and Cash equivalents at the end of the period	-	-	3,683	56

NOTES TO CASH FLOW STATEMENT

1 Components of Cash and Cash Equivalents include Bank Balances in Current Account.

2 Cash and Cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Particulars	As At 31-MAR-17		31-MAR-16	
	Rupees	USD	Rupees	USD
Cash and Bank balances	-	-	7,941	120
Add / Less:				
Effect of exchange rate change	-	-	(4,258)	(64)
Cash and Cash equivalents as restated	-	-	3,683	56

3 The Cash Flow Statement has been prepared in accordance with the requirements of Indian Accounting Standard (IND AS) 7 "Statement of Cash Flows".

4 Previous period's figures have been regrouped / restated wherever necessary.

As per our report of even date

For Narendra Poddar & Co.
Chartered Accountants
FRN No. 106915W



Narendra Poddar

Narendra Poddar, Proprietor
Membership No. 41256

Mumbai, 9th May 2017

For and on behalf of the Board

[Signature]
Director

[Signature]
Director

CORPORATE INFORMATION

Grabal Alok International Limited incorporated on November, 2005 under the laws of British Virgin Island as an 'International Business Company', is a wholly owned subsidiary of Alok Infrastructure Limited, Company incorporated in India.

The Company continued to incur losses during the period resulting in significant accumulated losses as on 31 March 2017. The Company continues to be supported (financially and operationally) by Alok Industries Limited, the ultimate holding company and is contemplating various options to improve the business operations in future. On that basis, the accounts of the Company are prepared on going concern basis.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on 09th 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 (m).

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) Translation to Indian Rupees:

The accounts are maintained in US Dollars being the currency of British Virgin Island. The accounts are translated to Indian Rupees as follows:-

- i) All income and expenses are translated at the average rate of exchange prevailing during the period.
- ii) Assets and liabilities are translated at the closing rate on the balance sheet date.
- iii) Share Capital including share application money is translated at historical rates.
- iv) The resulting exchange difference is accumulated in 'Foreign Currency Translation Reserve'.



iv) Recent 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.

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 sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company. This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.



Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

ii) Measurement of revenue:

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer. Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale

The volume discounts are assessed based on anticipated annual purchases.

Rental Income

The Company's policy for recognition of revenue from operating leases is described in Note 1 (e) below.

Interest Income

For all debt instruments measured at amortised cost, interest income is measured using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d) 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:

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, associate company and joint venture company :

Investments in subsidiary companies, associate company and Joint Venture 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, associate company and Joint Venture 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.

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

e) 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 or 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.

f) 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.

g) 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'.

h) 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.

i) 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.

j) 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.

k) 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.

l) Foreign Currency Transactions

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary items denominated in Foreign Currency are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

- Exchange differences relating to long term monetary items, arising during the period, in so far as those relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset



- In other cases, such differences are accumulated in the "Foreign Currency Monetary Translation Difference Account" and amortised to the statement of profit and loss over the balance life of the long term monetary item.

All other exchange differences are dealt with in profit or loss.

m) 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).

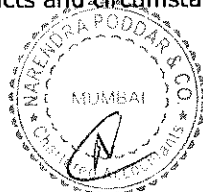
Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these 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:

- 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.
- 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.
- 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.
- Long Term Foreign Currency Monetary Items**
The Company continues the policy of capitalising exchange differences arising on translation of long term finance currency monetary items.
- Investments in subsidiaries, joint ventures and associates**
The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

Exceptions applied:

- 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.
- 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.



GRABAL ALOK INTERNATIONAL LIMITED

NOTE:2

Statement of Changes in Equity for the year ended 31 March 2017

A) EQUITY SHARE CAPITAL	As At 31 March 2017		As At 31 March 2016		As At 01 April 2015	
	INR	USD	INR	USD	INR	USD
Balance at the beginning of the reporting year	1,212,348,648.00	26,915,599.00	1,212,348,648.00	26,915,599.00	1,212,348,648.00	26,915,599.00
Changes in Equity Share Capital during the year	(502,089,538.00)	(11,970,552.00)	-	-	-	-
Balance at the end of the reporting year	710,259,110.00	14,945,047.00	1,212,348,648.00	26,915,599.00	1,212,348,648.00	26,915,599.00

B) OTHER EQUITY	Foreign Currency Monetary Item Translation Difference Account (FCMTR)		Retained Earnings		Total Equity attributable to equity holders of the Company	
	INR	USD	INR	USD	INR	USD
Balance as at 1st April, 2015 (A)	252,803,195.00	-	(5,010,811,193.00)	(83,563,851.00)	(4,758,007,998.00)	(83,563,851.00)
Addition/Reduction during the Year	(216,120,498.00)	-	(310,629,990.00)	(4,745,264.00)	(526,750,488.00)	(4,745,264.00)
Balance as at 31st March, 2016 (B)	36,682,697.00	-	(5,321,441,183.00)	(88,309,115.00)	(5,284,758,486.00)	(88,309,115.00)
Addition/Reduction during the Year	(178,783,828.00)	-	(105,511,688.00)	(1,572,696.00)	(284,295,516.00)	(1,572,696.00)
Balance as of March 31, 2017 (C)	(142,101,131.00)	-	(5,426,952,871.00)	(89,881,811.00)	(5,569,054,002.00)	(89,881,811.00)



GRABAL ALOK INTERNATIONAL LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

PARTICULARS	AS AT 31-Mar-17 Rupees	AS AT 31-Mar-17 USD	AS AT 31-Mar-16 Rupees	AS AT 31-Mar-16 USD	AS AT 31-Mar-15 Rupees	AS AT 31-Mar-15 USD
3. NON CURRENT INVESTMENTS (at cost) (Unquoted)						
Investments in Equity Instruments						
276,950,232 Ordinary shares in Grabal Alok (UK) Limited of GBP 0.001 each (Refer note no. 17)	4,227,351,582	65,198,070	4,324,777,058	65,198,070	4,080,799,360	65,198,070
Less: Provision for diminution in value of investment	(4,227,351,582)	(65,198,070)	(4,324,777,058)	(65,198,070)	(4,080,799,360)	(65,198,070)
Investments in Bonds						
Compulsorily Convertible Bonds of Alok Industries International Ltd. (Refer note no. 16)	1,201,148,759	18,525,211	3,747,808,850	56,500,000	3,536,380,200	56,500,000
TOTAL	1,201,148,759	18,525,211	3,747,808,850	56,500,000	3,536,380,200	56,500,000

Note: 276,950,232 equity shares in Grabal Alok (UK) Ltd. are pledged in favor of Axis Trustee Services Limited for the credit facility sanctioned by Axis Bank & Exim Bank to Alok Industries Limited.

4. CASH AND BANK BALANCES						
Balance with bank	-	-	7,941	120	626,000	10,001
In current accounts	-	-	-	-	-	-
TOTAL	-	-	7,941	120	626,000	10,001

5. SHORT-TERM LOANS AND ADVANCES (Unsecured, considered good)						
Loans and advances to related parties (Refer note no. 15)	37,492,515	578,244	38,356,585	578,244	36,192,739	578,244
TOTAL	37,492,515	578,244	38,356,585	578,244	36,192,739	578,244

6. EQUITY SHARE CAPITAL

(a) Authorised Shares						
100,000 Equity Shares of USD 1 each	4,437,275	100,000	4,437,275	100,000	4,437,275	100,000
65,000,000 Class A Cumulative Redeemable Preference Shares of USD 1 each	2,902,250,000	65,000,000	2,902,250,000	65,000,000	2,902,250,000	65,000,000
100,000,000 Class B Cumulative Redeemable Preference Shares of USD 1 each	4,465,000,000	100,000,000	4,465,000,000	100,000,000	4,465,000,000	100,000,000
TOTAL	7,371,687,275	165,100,000	7,371,687,275	165,100,000	7,371,687,275	165,100,000

(b) Issued, subscribed and fully paid-up shares

Equity Share Capital						
50,025 Equity Shares of USD 1 each fully paid up	2,205,891	50,025	2,205,891	50,025	2,205,891	50,025
Preference Share Capital						
5,173,887 (Previous Year 17,144,439) Class 'A' 1% Cumulative Redeemable Preference Shares of USD 1 each fully paid up	222,712,667	5,173,887	724,802,205	17,144,439	724,802,205	17,144,439
9,721,135 Class 'A' 0% Cumulative Redeemable Preference Shares of USD 1 each fully paid up	485,340,552	9,721,135	485,340,552	9,721,135	485,340,552	9,721,135
TOTAL	710,259,110	14,945,047	1,212,348,648	26,915,599	1,212,348,648	26,915,599

NOTE :

a) Reconciliation of equity shares outstanding at the beginning and at the end of reporting period

Number of Equity Shares		AS AT 31-Mar-17	AS AT 31-Mar-16	AS AT 31-Mar-15
Particulars				
Opening balance		50,025	50,025	50,025
Issued during the period		-	-	-
Closing balance		50,025	50,025	50,025

Amount of Equity Shares		AS AT 31-Mar-17 Rupees	AS AT 31-Mar-17 USD	AS AT 31-Mar-16 Rupees	AS AT 31-Mar-16 USD	AS AT 31-Mar-15 Rupees	AS AT 31-Mar-15 USD
Particulars							
Opening balance		2,205,891	50,025	2,205,891	50,025	2,205,891	50,025
Issued during the period		-	-	-	-	-	-
Closing balance		2,205,891	50,025	2,205,891	50,025	2,205,891	50,025

b) Terms/rights attached to equity shares

The company has only

c) Shareholder holding more than 5 percent of the equity share capital

Name of the share holder	31-MAR-17		31-MAR-16		31-Mar-15	
	No of shares	%	No of shares	%	No of shares	%
Alok Infrastructure Limited	50,025	100%	50,025	100%	50,025	100%



d) Reconciliation of preference shares outstanding at the beginning and at the end of reporting period

Number of Preference Shares						
Particulars	AS AT 31-Mar-17	AS AT 31-Mar-16	AS AT 31-Mar-15	AS AT 31-Mar-17	AS AT 31-Mar-16	AS AT 31-Mar-15
Opening balance	26,865,574	26,865,574	26,865,574			
Issued/(Redeemed) during the period	(11,970,552)	-	-			
Closing balance	14,895,022	26,865,574	26,865,574			

Amount of Preference Shares						
Particulars	AS AT 31-Mar-17 Rupees	AS AT 31-Mar-17 USD	AS AT 31-Mar-16 Rupees	AS AT 31-Mar-16 USD	AS AT 31-Mar-15 Rupees	AS AT 31-Mar-15 USD
Opening balance	1,210,142,757	26,865,574	1,210,142,757	26,865,574	1,210,142,757	26,865,574
Issued / (Redeemed) during the period	(502,089,538)	(11,970,552)	-	-	-	-
Closing balance	708,053,219	14,895,022	1,210,142,757	26,865,574	1,210,142,757	26,865,574

e) Terms/rights attached to preference shares

A) The company has two class of preference shares having par value of USD 1/- per share.

Following class A preference shares have been issued by the company:

- 5,173,887 1% Cumulative Redeemable class A Preference shares issued to Alok Infrastructure Limited (earlier Alok Industries Limited) are redeemable after 10 years from the respective dates of allotments starting from 29 December 2005 to 23 May 2007 with a put and call option given at the end of each year.
- 9,721,135 0% Redeemable class A Preference shares issued to Alok Infrastructure Limited (earlier Alok Industries Limited) are redeemable after 10 years from the date of allotment i.e. 01 July 2012 with a put and call option given at the end of each year and at sole discretion of holding Company.
- 4,500,000 1% Cumulative Redeemable class A Preference shares issued to Alok Industries International Limited are redeemable after 10 years from the date of allotment i.e. 31 March 2010 with a put and call option given at the end of each year.
- 9,721,135 0% Redeemable class A Preference shares issued to Alok Infrastructure Limited (earlier Alok Industries Limited) are redeemable after 10 years from the date of allotment i.e. 01 July 2012 with a put and call option given at the end of each year and at sole discretion of holding Company.

Alok Industries International Limited and Alok Infrastructure Limited have, in the earlier year(s), agreed to waive all past and future preference dividend on cumulative preference shares.

Accordingly, there is no cumulative preference dividend liability on the above cumulative redeemable preference shares (i) to (ii) as on 31 March 2017.

Class B Preference Shares:

B) The company has not issued any class B preference shares.

f) Shareholder holding more than 5 percent of the Preference Share Capital

Name of the share holder	AS AT 31-MAR-17		AS AT 31-Mar-16		AS AT 31-Mar-15	
	No of shares	%	No of shares	%	No of shares	%
Alok Infrastructure Limited	14,895,022	100%	14,895,022	55%	14,895,022	55%
Alok Industries International Limited	-	0%	11,970,552	45%	11,970,552	45%

PARTICULARS

PARTICULARS	AS AT 31-Mar-17 Rupees	AS AT 31-Mar-17 USD	AS AT 31-Mar-16 Rupees	AS AT 31-Mar-16 USD	AS AT 31-Mar-15 Rupees	AS AT 31-Mar-15 USD
	7. OTHER EQUITY					
Foreign currency translation reserve						
Balance as per last Balance Sheet	36,682,697		252,803,195		341,277,353	
Add: During the period	(178,783,828)		(216,120,498)		(88,474,158)	
	(142,101,131)		36,682,697		252,803,195	
Deficit in the Statement of Profit and Loss						
Balance as per last Balance Sheet	(5,321,441,183)	(88,309,115)	(5,010,811,193)	(83,563,851)	(580,351,204)	(11,411,915)
Add: Loss for the period	(105,511,688)	(1,572,696)	(310,629,990)	(4,745,264)	(4,430,459,989)	(72,151,936)
	(5,426,952,871)	(89,881,811)	(5,321,441,183)	(88,309,115)	(5,010,811,193)	(83,563,851)
TOTAL	(5,569,054,002)	(89,881,811)	(5,284,758,486)	(88,309,115)	(4,758,007,998)	(83,563,851)
NON-CURRENT LIABILITIES						
8. BORROWINGS (Unsecured)						
Compulsorily Convertible Debentures [Refer note below]	3,241,930,000	50,000,000	3,316,645,000	50,000,000	3,129,540,000	50,000,000
Loans and advances from related party (Refer note no. 15)	1,517,471,618	23,403,831	1,552,443,962	23,403,831	1,464,864,487	23,403,831
TOTAL	4,759,401,618	73,403,831	4,869,088,962	73,403,831	4,594,404,487	73,403,831
Note:						
During the previous period Alok Worldwide Limited, a fellow group company has purchased Compulsorily Convertible Debentures which were originally issued on 29 July 2011 to Triumphant Victory Holdings Limited and are redeemable on 25 March 2019 by bullet repayment as mutually decided between the Company and Alok Worldwide Limited.						
CURRENT LIABILITIES						
9. SHORT TERM BORROWING (Unsecured)						
Loans and advances from related party (Refer note no. 15)	1,337,750,710	20,632,011	2,989,241,653	45,064,239	2,523,779,642	40,321,895
Temporary overdrawn bank balance	-	-	-	-	-	-
TOTAL	1,337,750,710	20,632,011	2,989,241,653	45,064,239	2,523,779,642	40,321,895
10. Trade Payables						
Creditors for services	250,419	3,862	239,707	3,616	674,160	10,771
TOTAL	250,419	3,862	239,707	3,616	674,160	10,771
11. Other Current Liabilities						
Overdrawn bank balance	33,419	515	12,892	194	-	-
TOTAL	33,419	515	12,892	194	-	-



PARTICULARS	12 Months Ended 31-MAR-17		12 Months Ended 31-MAR-16	
	Rupees	USD	Rupees	USD
11. OTHER INCOME				
Other Miscellaneous Receipts	-	-	633,526	9,678
Exchange rate gain (Net)	-	-	4,258	64
TOTAL	-	-	637,784	9,742
12. FINANCE COSTS				
Interest expense (Refer note no.15)	87,606,099	1,305,807	158,855,373	2,426,715
Other borrowing costs	17,595,386	262,267	151,810,633	2,319,098
TOTAL	105,201,485	1,568,074	310,666,006	4,745,813
13. OTHER EXPENSES				
Legal and professional fees	134,179	2,000	195,434	2,986
Exchange rate loss (net)	-	-	-	-
Provision for diminution in value of investment	-	-	-	-
Auditor's remuneration (including Service Tax)	69,000	1,028	68,700	1,049
Bank Charges & Commission	107,024	1,594	337,634	5,158
TOTAL	310,203	4,622	601,768	9,193



14. Related Parties Disclosures

As per Accounting Standard AS - 18 "Related Party Disclosures", Company's related parties disclosed as below:

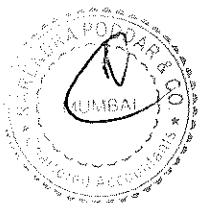
Alok Industries Limited	Ultimate holding Company
Alok Infrastructure Limited	Holding Company
Alok Industries International Limited	Fellow Subsidiary Company
Grabal Alok (UK) Limited	Associate Company
Triumphant Victory Holdings Limited	Entity Under Common Control

Transaction	In Rupees	In USD
Equity Share Capital		
Alok Infrastructure Limited		
Balance as at 1 October / 1 April	2,205,891 (2,205,891)	50,025 (50,025)
Allotted during the period	-	-
Balance as at Period end	2,205,891 (2,205,891)	50,025 (50,025)
Preference Share Capital		
Alok Infrastructure Limited		
Balance as at 1 October / 1 April	708,053,219 (708,053,219)	14,895,022 (14,895,022)
Allotted during the period (Share application money received in previous year)	- (-)	- (-)
Balance as at period end	708,053,219 (708,053,219)	14,895,022 (14,895,022)
Alok Industries International Limited		
Balance as at 1 October / 1 April	502,089,538 (502,089,538)	11,970,552 (11,970,552)
Allotted during the period	502,089,538 (-)	11,970,552 (-)
Balance as at period end	- (502,089,538)	- (11,970,552)
Short term borrowing		
a) Alok Industries International Limited		
Balance as at 1 October / 1 April	1,724,823,687 (1,627,805,132)	26,002,537 (26,007,099)
Received during the period	-	-
Repaid during the period	1,744,499,763 (298,633)	26,002,537 (4,562)
Translation Difference during the period	19,676,076 (97,317,188)	- (-)
Balance as at period end	- (1,724,823,687)	- (26,002,537)
b) Alok Industries Limited		
Balance as at 1 October / 1 April	1,658,519 (1,496,544)	25,003 (23,910)
Received during the period	69,438 (71,549)	1,035 (1,093)
Translation difference during the period	(39,692) (90,426)	- (-)
Balance as at period end	1,688,265 (1,658,519)	26,038 (25,003)



Transaction	In Rupees	In USD
c) Triumphant Victory Holdings Limited		
Balance as at 1 October / 1 April	683,572,343 (645,009,336)	10,305,178 (10,305,178)
Received during the period	-	-
Translation difference during the period	(15,321,257) (38,563,007)	- (-)
Balance as at period end	668,251,086 (683,572,343)	10,306,377 (10,305,178)
d) Alok Worldwide Limited		
Balance as at 1 October / 1 April	579,187,118 (739,432,525)	8,731,521 (11,404,203)
Received during the period	105,201,522	1,568,075
Translation difference during the period	(16,577,281) 160,245,407	- (-)
Balance as at period end	667,811,359 (579,187,118)	10,299,596 (8,731,521)
Long term borrowing (including current maturities and short-term borrowings)		
b) Alok Worldwide Limited		
Balance as at 1 October / 1 April	3,316,645,000 (3,129,540,000)	73,403,831 (77,389,539)
Received during the period	-	-
Translation difference during the period	(74,715,000) 187,105,000	- (-)
Balance as at period end	3,241,930,000 (3,316,645,000)	73,403,831 (73,403,831)
Investment		
Grabal Alok (UK) Limited		
Balance as at 1 October / 1 April	4,324,777,058 (4,080,799,360)	65,198,070 (65,198,070)
Received during the period	-	-
Translation difference during the period	(97,425,476) (243,977,698)	- (-)
Balance as at period end	4,227,351,582 (4,324,777,058)	65,198,070 (65,198,070)
Provision for diminution in investment in Grabal Alok (UK) Limited		
Balance as at 1 October / 1 April	4,324,777,058 (4,080,799,360)	65,198,070 (65,198,070)
Provided during the period	-	-
Translation difference during the period	(97,425,476) (243,977,698)	- (-)
Balance as at period end	4,227,351,582 (4,324,777,058)	65,198,070 (65,198,070)
Alok Industries International Limited		
Balance as at 1 October / 1 April	3,747,808,850 (3,536,380,200)	56,500,000 (56,500,000)
Addition during the period	-	-
Translation difference during the period	(2,546,660,091) (211,428,650)	(37,974,789) (-)
Balance as at period end	1,201,148,759 (3,747,808,850)	18,525,211 (56,500,000)
b) Alok Infrastructure Limited		
Balance as at 1 October / 1 April	38,356,585 (36,192,739)	578,244 (578,244)
Translation difference during the period	(864,070) (2,163,846)	- (-)
Balance as at period end	37,492,515 (38,356,585)	578,244 (578,244)
Interest Paid		
Alok Worldwide Limited	87,605,067 (158,855,353)	1,305,807 (2,426,715)
Borrowing cost		
Alok Worldwide Limited	17,595,386 (112,571,826)	262,267 (1,719,676)

Note : Figures of previous period are given in brackets.



15. Alok Industries International Ltd., ("Alok BVI"), a fellow subsidiary of the Company have, during the earlier year, issued unsecured floating rate Compulsorily Convertible bonds of USD 56.50 million to Deutsche Bank, AG, Singapore at a discount of USD 6.50 million. The holders have a green shoe option aggregating USD 50 million. At the end of maturity (July 2014) such bonds are convertible into Class A preference shares of Alok BVI of USD 1.00 each (USD 56.50 million).
During the year, company has redeemed bonds amounting to USD 37974788 (INR 2,546,660,091)
16. The Company has equity exposure of USD 65,198,070 (Rs 4,227,351,582) in Grabal Alok (UK) Ltd ("GA UK"), an associate company, which runs a chain of value format clothing stores under the brand "Store Twenty One" across UK, Scotland and Wales.
The management of Alok Industries Ltd ("Holding company") is considering exiting this business since the group's efforts in revamping the business have not made much headway primarily due to economic downturn in the UK economy. At the same time, GA UK, with support from the holding company is working on plans / options to turnaround this company and with a visible revival of the UK economy, believes that there is significant value which can be realised. Further, the Holding Company management, in the process of assessing the recoverability of goodwill on consolidation relating to GA UK appearing in their balance sheet, got in to certain early stage negotiations with potential buyers which indicates a recoverable value of approximately Rs 450 crores.
The management of this company has out of abundant precaution recognised 100% diminution in the financial statements. The Company has recognised "other than temporary" diminution in Investments of USD 65,198,070 (Rs 4,227,351,582).
17. **Segment Reporting**
The Company is engaged in the business of making strategic long term investment and all activities revolve around such business. Accordingly, this is the only reportable segment of the company.

18. **Earnings per share**

Particulars	12 Months Ended 31-MAR-17		12 Months Ended 31-MAR-16		18 Months Ended 31-Mar-15	
	Rupees	USD	Rupees	USD	Rupees	USD
Net Loss for the period	(105,511,688)	(1,572,696)	(310,629,990)	(4,745,264)	-	-
Add: Arrears of Cumulative Preference Dividend (refer note 3(e))	-	-	-	-	-	-
Net Loss available for equity share holders	(105,511,688)	(1,572,696)	(310,629,990)	(4,745,264)	-	-
Weighted average number of equity shares (Nos.)	50,025	50,025	50,025	50,025	50,025	50,025
Nominal Value of equity share	N.A.	1.00	N.A.	1.00	N.A.	1.00
Basic and Diluted Earnings per share (not annualised)	(2,109.18)	(31.44)	(6,209.50)	(94.86)	-	-

19. **Capital Management**

For the purpose of the Company's capital management, equity includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base, which is debt to equity. The company's policy is to keep debt equity ratio below three and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management.

In order to achieve the aforesaid objectives, the Company has not sanctioned any major capex on new expansion projects in last two to three years. However, modernization, upgradation and marginal expansions have been continued to remain competitive and improve product quality through efficient machinery. There is constant endeavour to reduce debt as much as feasible and practical by improving operational and working capital management.

Particulars	31-Mar-17		31-Mar-16		1-Apr-15	
	INR	USD	INR	USD	INR	USD
Debt (A)	6,097,152,328	94,035,842	7,858,330,615	118,468,070	7,118,184,129	113,725,726
Equity (B)	(4,058,794,892)	(74,936,764)	(4,072,409,838)	(61,393,516)	(3,545,659,350)	(56,648,252)
Debt / Equity Ratio (A / B)	(1.25)	(1.25)	(1.93)	(1.93)	(2.01)	(2.01)



20. FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Credit Risk:

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets.

B 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 of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, FVTOCI investments, derivatives and other financial assets.

1) Currency Risk

This is the risk that the Company may suffer losses as a result of adverse exchange rate movement during the relevant period. As a policy, the Company is covering all foreign exchange risk on account of imports and loans so that the Company may not be put to any loss situation due to adverse fluctuations in currency rates. There is a periodical review of foreign exchange transactions and hedging by the Company's executives.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Currency	Change in rate (upward)	Effect on profit before tax	Change in rate (downward)	Effect on profit before tax
31-Mar-17	Euro	0.05	0.05	-0.05	-0.05
	GBP	0.05	0.06	-0.05	-0.06
31-Mar-16	Euro	0.05	0.06	-0.05	-0.06
	GBP	0.05	0.07	-0.05	-0.07

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Interest rate risk

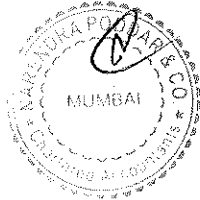
The Company does not bear any interest rate risk as the company does not have any interest bearing loans.

iii) Equity Price Risk

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments. Profit for the year ended 31 March 2017 and 31 March 2016 would have been unaffected as the equity investments are FVTOCI and no investments were disposed of or impaired.

i) Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management.



ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

31-Mar-17	Currency	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial Instruments								
Long term borrowings	USD	73,403,831						73,403,831.00
	INR	4,759,401,618						4,759,401,618.00
Short term borrowings	USD	20,632,011						20,632,011.00
	INR	1,337,750,710						1,337,750,710.00
Trade payables								
Trade payables - other than micro and small ent.	USD	3,862						3,862.00
	INR	250,419						250,419.00
Other current liabilities	USD	515						515.00
	INR	33,419						33,419.00
(b) Derivative financial Instruments								
Foreign exchange forward contracts								

31-Mar-16	Currency	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial Instruments								
Long term borrowings	USD	73,403,831						73,403,831.00
	INR	4,869,088,962						4,869,088,962.00
Short term borrowings	USD	45,064,239						45,064,239.00
	INR	2,989,241,653						2,989,241,653.00
Trade payables								
Trade payables - other than micro and small ent.	USD	3,616						3,616.00
	INR	239,707						239,707.00
Other current liabilities	USD	194						194.00
	INR	12,892						12,892.00
(b) Derivative financial Instruments								
Foreign exchange forward contracts								

31-Mar-15	Currency	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial Instruments								
Long term borrowings	USD	73,403,831						73,403,831.00
	INR	4,594,404,487						4,594,404,487.00
Short term borrowings	USD	40,321,895						40,321,895.00
	INR	2,523,779,642						2,523,779,642.00
Trade payables								
Trade payables - other than micro and small ent.	USD	10,771						10,771.00
	INR	674,160						674,160.00
(b) Derivative financial Instruments								
Foreign exchange forward contracts								

iii) Financing arrangements

The Company does not have any financing arrangements.



21. Fair Value Measurement

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	Currency	Carrying value			Fair value		
			31-Mar-17	31-Mar-16	1-Apr-15	31-Mar-17	31-Mar-16	1-Apr-15
Financial Asset								
Carried at amortised cost								
(a)	Loans to related parties	USD	578,244	578,244	578,244	578,244	578,244	578,244
(i)		INR	37,492,515	38,356,585	36,192,739	37,492,515	38,356,585	36,192,739
(iii)	Cash and cash equivalent	USD	-	120	10,001	-	120	10,001
		INR	-	7,941	626,000	-	7,941	626,000
Financial Liabilities								
Carried at amortised cost								
(a)	Borrowings	USD	94,035,842	118,468,070	113,725,726	94,035,842	118,468,070	113,725,726
(i)		INR	6,097,152,328	7,858,330,615	7,118,184,129	6,097,152,328	7,858,330,615	7,118,184,129
(ii)	Trade payable	USD	3,862	3,616	10,771	3,862	3,616	10,771
		INR	250,419	239,707	674,160	250,419	239,707	674,160
(iii)	Other payables	USD	515	194	-	515	194	-
		INR	33,419	12,892	-	33,419	12,892	-

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:

- Fair value of security deposits have been estimated using a DCF model. The valuation requires management to make certain assumptions about interest rates, maturity period, credit risk, forecasted cash flows.
- 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.
- Carrying value of loans from banks, other noncurrent borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non-performance risk as at reporting date was assessed to be insignificant.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's assets and liabilities grouped into Level 1 to Level 3 as described in significant accounting policies - Note 2. Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2017:

Sr. No.	Particulars	Currency	Fair Value Measurement			Valuation technique used	Inputs used
			Level 1	Level 2	Level 3		
			Rs. In Crores				
Assets and liabilities for which fair values are disclosed							
Financial assets measured at amortised cost							
(a)	Loans to related parties	USD	-	578,244	-	Discounted cash flows	Forecast cash flows, discount
		INR	-	37,492,515	-		
Financial liability measured at amortised cost							
(b)	Borrowings	USD	-	94,035,842	-	Discounted cash flows	Forecast cash flows, discount
		INR	-	6,097,152,328	-		
(ii)	Other payables	USD	-	515	-		
		INR	-	33,419	-		

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2016:

Sr. No.	Particulars	Currency	Fair Value Measurement			Valuation technique used	Inputs used
			Level 1	Level 2	Level 3		
			Rs. In Crores				
Assets and liabilities for which fair values are disclosed							
Financial assets measured at amortised cost							
(a)	Loans to related parties	USD	-	578,244	-	Discounted cash flows	Forecast cash flows, discount
		INR	-	38,356,585	-		
Financial liability measured at amortised cost							
(b)	Borrowings	USD	-	118,468,070	-	Discounted cash flows	Forecast cash flows, discount
		INR	-	7,858,330,615	-		
(ii)	Other payables	USD	-	194	-		
		INR	-	12,892	-		



Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2015:

Sr. No.	Particulars	Currency	Fair Value Measurement			Valuation technique used	Inputs used
			Level 1	Level 2	Level 3		
Rs. In Crores							
(a)	Assets and liabilities for which fair values are disclosed						
	Financial assets measured at amortised cost						
(i)	Loans to related parties	USD	-	578,244	-	Discounted cash flows	Forecast cash flows, discount
		INR	-	36,192,739	-		
(b)	Financial liability measured at amortised cost						
(i)	Borrowings	USD	-	113,725,726	-	Discounted cash flows	Forecast cash flows, discount
		INR	-	7,118,184.129	-		
(ii)	Other payables	USD	-	-	-		
		INR	-	-	-		

During the year ended 31 March 2017, 31 March 2016 and 1 April 2015 there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Company. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Company.
- The fair values of quoted equity instruments are derived from quoted market prices in active markets.
- The Company enters into foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.
- The fair value of floating rate borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. The own non-performance risk as at 31 March 2017 was assessed to be insignificant

22. Expenditure in Foreign Currency

All transactions reflected in these financial statements are in foreign currency i.e. other than Indian Rupees.

23. This Company is a Foreign Company and Subsidiary of an Indian Company. Hence there was no dealing in Indian Currency. Henceforth Rule 11D of the Companies (Audit & Auditors) Amendment Rules 2017 is not applicable.

24. The information contained in the financial statements for the period ended 31 March 2017, disclosed in US dollars is extracted from the books of accounts locally maintained and converted into Indian Rupees as disclosed under basis of preparation stated above and the amounts in Balance Sheet, Statement of Profit and Loss and cash flow statement are rounded off to the nearest Rupee / USD. Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

25. Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure and are given in brackets.

Signatures to Notes 1 to 25

For Narendra Poddar & Co.
Chartered Accountants
FRN No. 105915W

For and on behalf of the Board

Narendra Poddar, Proprietor
Membership No. 41256

Mumbai, 9th May 2017



Director

Director