

Visakhapatnam Port Logistics Park Limited

(Formerly Vizag Logistic Park Limited)

CIN: U63090WB2014GOI202678

FINANCIAL STATEMENTS

2016-17



ADD & ASSOCIATES

Chartered Accountants

P-168, Sector - B

Metropolitan Co-Op Hsg. Soc. Ltd.

Canal South Road, Kolkata - 700 105

Phone : 4006 4958

E-mail : add_associates@yahoo.in

Independent Auditor's Report

To the Members of

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of **VISAKHAPATNAM PORT LOGISTIC PARK LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

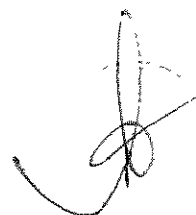
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) 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 Profit/Loss and its Cash Flow for the year ended on that date.

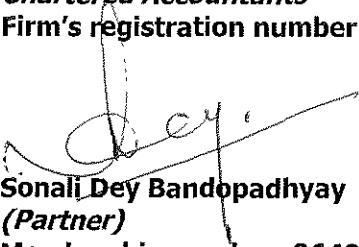
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the 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 purpose 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 (Standalone) 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 written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the *Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".*



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
ADD & ASSOCIATES
Chartered Accountants
Firm's registration number: 308064E

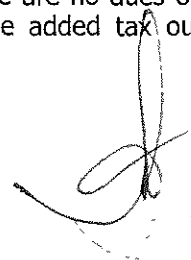

Sonali Dey Bandopadhyay
(Partner)
Membership number: 064055

Place: Kolkata
Date: 16.05.2017

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) *In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.*
- 5) 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 Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) *According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally 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 any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.*
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.



- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

ADD & ASSOCIATES

Chartered Accountants

Firm's registration number: 308064E


Sonali Dey Bandopadhyay

(Partner)

Membership number: 064055

Place: Kolkata

Date: 16.05.2017

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

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

We have audited the internal financial controls over financial reporting of **VISAKHAPATNAM PORT LOGISTIC PARK LIMITED**.

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

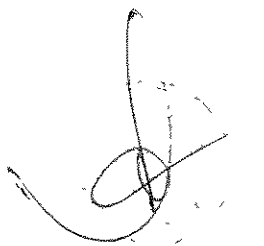
Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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.

A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a cursive name, located at the bottom center of the page.

Meaning of Internal Financial Controls Over Financial Reporting

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

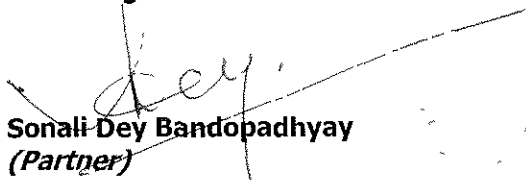
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017.

For and on behalf of
ADD & ASSOCIATES
Chartered Accountants
Firm's registration number: 308064E


Sonali Dey Bandopadhyay
(Partner)
Membership number: 064055

Place: Kolkata
Date: 16.05.2017



ADD & ASSOCIATES

Chartered Accountants

P-168, Sector - B

Metropolitan Co-Op Hsg. Soc. Ltd.

Canal South Road, Kolkata - 700 105

Phone : 4006 4958

E-mail : add_associates@yahoo.in

Annexure-C

M/S. VISAKHAPATNAM PORT LOGISTICS PARK LTD.
21,N.S.ROAD, KOLKATA- 700001

Directions under Section 143(5) of the Companies Act 2013

Sl.No	Direction	Replies of Auditor
1	Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	No such freehold or leasehold property held by the Company
2	Whether there are any cases of waiver/write off of debts/loans/interest etc if yes, the reasons there for and amount involved.	Nosuch case
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities	Not Applicable

For ADD & ASSOCIATES
Chartered Accountants
FRN-308064E



(S. DEY BANDOPADHYAY)
Partner
M.No.064055

Place: Kolkata
Date: 16.05.2017

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

Kolkata

Balance Sheet as on 31st March 2017

₹ in Lakhs

	PARTICULARS	Note No.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	ASSETS				
1	Non-current assets				
(a)	Property, Plant and Equipment	<u>1</u>	26.30	15.35	-
(b)	Capital Work in Progress	<u>2</u>	3934.39	373.31	99.83
(c)	Investment Property				
(d)	Goodwill				
(e)	Other Intangible Assets				
(f)	Intangible Assets under development				
(g)	Financial assets				
	i) Investments				
	ii) Trade Receivables				
	iii) Loans				
	iv) Others				
(h)	Deferred Tax Assets (Net)				
(i)	Other Non-Current Assets				
(j)	Other Non-Current Assets - Rate				
	Total Non-Current Assets		3960.69	388.66	99.83
2	Investment against funds held for				
3	Current assets				
(a)	Inventories				
(b)	Financial Assets				
	i) Investments in Debt and Equity				
	ii) Trade Receivables				
	iii) Cash and Cash Equivalents	<u>3</u>	14.18	1.20	1.00
	iv) Bank Balances other than above				
	v) Loans				
	vi) Others	<u>4</u>	2.78	2.38	
(c)	Current Tax Assets (Net)				
(d)	Other Current Assets	5	6.80	3.80	
(e)	Non Current Assets held for sale				
	Total Current Assets		23.76	7.38	1.00
	TOTAL ASSETS		3,984.45	396.04	100.83
	EQUITY AND LIABILITY				
1	Equity				
(a)	Equity Share Capital	<u>6</u>	3,001.00	1.00	1.00
(b)	Other Equity	<u>7</u>	(201.47)	(147.51)	(96.56)
	Total Equity		2,799.53	(146.51)	(95.56)
2	Fund held for others				
	Liabilities				
3	Non-Current Liabilities				

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

Kolkata

Balance Sheet as on 31st March 2017

₹ in Lakhs

	PARTICULARS	Note No.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Financial Liabilities				
	i) Borrowings				
	ii) Trade and other Payables				
	iii) Others				
(b)	Provision				
(c)	Deferred Tax Liabilities (Net)				
(d)	Other Non-Current Liabilities				
	Balance with other units (taken				
	Total Non-Current Liabilities				
4	Current liabilities				
(a)	Financial Liabilities				
	i) Borrowings - Short Term				
	ii) Trade and other Payables				
	iii) Other financial liabilities	8	1,106.62	490.87	196.24
(b)	Short Term Provisions	9	9.91	3.33	
(c)	Current Tax Liabilities (Net)				
(d)	Other Current Liabilities	10	68.39	48.35	0
	Total Current Liabilities		1,184.92	542.55	196.39
	Total Liabilities		1,184.92	542.55	196.39
	TOTAL LIABILITIES AND EQUITY		3,984.45	396.04	100.83

The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements

In terms of our Audit Report of even date attached

For ADD & ASSOCIATES

Chartered Accountants

Registration No 308064E

CA S DEY BANDOPADHYAY

Partner

Membership No 064055

Kolkata, the 16th May, 2017

For and on behalf of

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

Director

Director

Director

VISAKHAPATNAM PORT LOGISTICS PARK LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDING 31st March 2017

₹ in Lakhs

	Year Ended 31.03.2017	Year Ended 31.03.2016
A Cash flow from operating activities		
Net Profit / (Loss) before tax	(53.96)	(50.95)
Adjustment for Depreciation	2.60	1.64
Interest	0	0.00
Provisions	9.91	3.33
Operating Loss before Working Capital Changes	(41.46)	(45.98)
Current Liabilities	632.47	342.83
Current Assets	(3.40)	6.18
NET CASH FROM OPERATING ACTIVITIES	587.61	290.67
B Cash Flow from Investing Activities		
Fixed Assets - Capital Work in Progress	(3,561.08)	(273.48)
Purchase of Fixed Assets	(13.55)	(16.99)
NET CASH FROM INVESTING ACTIVITIES	(3,574.63)	(290.47)
C Cash Flow from financing activities		
Proceeds from issuance of Shares	3000.00	-
Interest cost	0.00	(0.00)
NET CASH FROM FINANCING ACTIVITIES	3,000.00	-0.00
Net Changes in Cash & Cash Equivalents (A+B+C)	12.98	0.20
Cash & Cash Equivalent Opening Balance	1.20	1.00
Cash & Cash Equivalent Closing Balance	14.18	1.20

As per our report attached

For ADD & ASSOCIATES
Chartered Accountants
Firm Registration No. 308064E

CA S. DEY BANDOPADHYAY
Partner
Membership No. 064055

For and on behalf of
VISAKHAPATNAM PORT LOGISTIC PARK LIMITED


Director


Director


Director

	PARICULARS	Note No.	31-03-2017	31-03-2016
	INCOME / REVENUE			
I	Revenue from Operations		-	-
II	Other Income		-	-
III	Total Income (I + II)		-	-
	IV EXPENSES			
	Operation and Maintenance Expenses		-	-
	Employee Benefits Expenses	11	12.78	0.00
	Finance Costs		-	-
	Depreciation and Amortization Expenses	I	2.60	1.64
	Administration and Other Expenses	12	38.58	49.32
	Total Expenses (IV)		53.96	50.96
V	Profit/(loss) before exceptional items and tax (I - IV)		(53.96)	(50.96)
VI	Exceptional Items (prior period for Ind-AS			
VII	(V - VI)		(53.96)	(50.96)
VIII	Rate Regulatory Income / (Expenses)			
IX	Profit before tax (VII + VIII)		(53.96)	(50.96)
X	Tax Expenses			
	Current Tax			
	Deferred Tax			
XI	(IX - X)		(53.96)	(50.96)
XII	Profit / (Loss) from discontinued operations			
XIII	Tax Expenses of discontinued operations			
XIV	Profit/ (Loss) from discontinued operations (X - XI)		0.00	0.00
XV	Profit/ (Loss) for the period (IX + XII)		(53.96)	(50.96)
XVI	Other Comprehensive Income or loss			
	Remeasurement of defined benefit obligation			
	Other Comprehensive income for the period (net of tax)			
XVII	XIV)		(53.96)	(50.96)
XVIII	Earnings per Equity Share (Face Value of Rs. 1000/-)			
	For continuing operations			
	i) Basic (in Rs.)		(539.62)	(509.57)
	ii) Diluted (in Rs.)		(539.62)	(509.57)
	For discontinued operations			
	i) Basic (in Rs.)			
	ii) Diluted (in Rs.)			
	For continuing operations and discontinued operation			
	i) Basic (in Rs.)			
	ii) Diluted (in Rs.)			

For ADD & ASSOCIATES
Chartered Accountants
Firm Registration No. 308064E

CA S. DLY BANDOPADHYAY

Partner

Membership No. 064955

Kolkata, the 16th May, 2017

For and on behalf of
VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

Director

Director

Director

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED
Kolkata

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

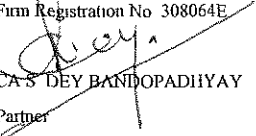
A. Equity Share Capital

Particulars	₹ in Lakhs
Balance as at 1st April 2015	1.00
Changes in equity share capital during the year	0.00
Balance as at 31st March 2016	1.00
Changes in equity share capital during the year	3,000.00
Balance as at 31st March 2017	3,001.00

B. Other Equity

Particulars	₹ in Lakhs		
	General Reserve	Retained Earnings	Total
Balance as at 1st April 2015	-	(96.56)	(96.56)
Issue of Equity Share Capital Proceeds from Share Application			
Profit for the FY 2015-16		(50.95)	(50.95)
Other Comprehensive Income for the FY 2015-16		-	-
Total Comprehensive Income for the FY 2015-16	-	(147.51)	(147.51)
Transfer to General Reserve			
Transfer to Retained Earnings			
Depreciation/Amortisation on Assets included in Capital Reserve			
Dividend paid			
Tax on Dividend paid			
Balance as at 31st March 2016		(147.51)	(147.51)
Change in Accounting Policy			
Issue of Equity Share Capital Proceeds from Share Application		0.00	0.00
Profit for the FY 2016-17		(53.96)	(53.96)
Other Comprehensive Income for the FY 2016-17			
Total Comprehensive Income for the FY 2016-17	-	(201.47)	(201.47)
Transfer to General Reserve			-
Transfer to Retained Earnings			-
Depreciation/Amortisation on Assets included in Capital Reserve			-
Dividend paid			-
Tax on Dividend paid			-
Balance as at 31st March 2017	-	(201.47)	(201.47)

The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements
In terms of our Audit Report of even date attached

For ADD & ASSOCIATES
Chartered Accountants
Firm Registration No. 308064E

CA S. DEY BANDOPADHYAY
Partner
Membership No. 064055

Kolkata, the 16th May, 2017

For and on behalf of
VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

 
Director Director Director

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

1 :- Property, Plant and Equipment

(i) Details of Property, Plant and Equipment (PPE) are as under

₹ in Lakhs

Particulars	Electrical Installation and Equipments	Furniture and Fittings	Office Equipments	Miscellaneous Equipments	Total
Year ended 31st March 2016					
Gross Carrying amount					
Deemed Cost as at 1st April 2015	-	-	-	-	-
Additions during the year	4.17	4.61	1.48	6.73	16.99
Deduction / Adjustments during the year	-	-	-	-	-
Closing Gross Carrying Amount	4.17	4.61	1.48	6.73	16.99
Accumulated Depreciation					
Depreciation charge during the year	0.57	0.45	0.23	0.38	1.64
Deduction / Adjustments during the year	-	-	-	-	-
Closing Accumulated Depreciation	0.57	0.45	0.23	0.38	1.64
Net Carrying Amount	3.60	4.15	1.25	6.35	15.35
Year ended 31st March 2017					
Gross carrying amount					
Opening Gross Carrying Amount	4.17	4.61	1.48	6.73	16.99
Additions during the year	-	-	0.54	13.01	13.55
Deduction / Adjustments during the year	-	-	-	-	-
Closing Gross Carrying Amount	4.17	4.61	2.02	19.74	30.53
Accumulated Depreciation					
Opening Accumulated Depreciation	0.57	0.45	0.23	0.38	1.64
Depreciation charge during the year	0.60	0.46	0.86	0.68	2.60
Deduction / Adjustments during the year	-	-	-	-	0.00
Closing Accumulated Depreciation	1.17	0.91	1.10	1.06	4.23
Net Carrying Amount	3.00	3.69	0.92	18.68	26.30

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

2 :- Capital Work-in-Progress

(i) Details of Capital Work-in-Progress are as under

Particulars	₹ in Lakhs		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Capital Work-in-Progress	3,669 50	209 38	11 91
Pre Production Expenses	264 89	163 93	87 92
TOTAL	3,934.39	373.31	99.83

(ii) Movement in Capital Work in Progress are as under

Particulars	As at		
	31st March 2017	31st March 2016	1st April 2015
Opening Balance as at end of the Year	209 38	11 91	0
Add Capital work Done During the Year	3460 12	197 47	11 91
Closing Balance as at the end of the year	3,669 50	209 38	11 91

(iii) Movement in Pre Production Expenses are as under .

Particulars	As at		
	31st March 2017	31st March 2016	1st April 2015
Opening Balance as at end of the Year	163 93	87 92	0
Add Capital work Done During the Year *	100 96	76 01	87 92
Closing Balance as at the end of the year	264 89	163 93	87 92

* Pre Production expenses includes Rs 90 31 lakhs towards the salary expenses of the persons whose salary is directly attributable to the projects cost and balance pertains to expenditure incurred for project to be allocated to various assets during the capitalisation

VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

3 :- Cash & Cash Equivalents and Bank Balances other than Cash & Cash Equivalents

(i) . Details of Cash and Cash Equivalents are as under .

Particulars	₹ in Lakhs		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Balances with Bank			
Current Accounts' Balance	13.98	1.00	1.00
Others - including Imprest Balance	0.20	0.20	
Total	14.18	1.20	1.00



VISAKHAPATNAM PORT LOGISTICS PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

4:- Current Financial Assets - Others

(i) Details of Current Financial Assets - Others are as under

<i>Particulars</i>	₹ in Lakhs		
	<i>As at 31st March 2017</i>	<i>As at 31st March 2016</i>	<i>As at 1st April 2015</i>
Security Deposit	2.38	2.38	
Other Deposits	0.40		-
Total	2.78	2.38	-



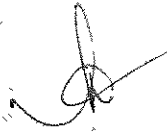
VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

5 :- Other Current Assets

(i) Details of Other Current Assets are as under .

Particulars	₹ in Lakhs		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Service tax recoverable (Cenvat)	5.45	3.79	
KKC Recoverable (Cenvat)	0.02	0.00	-
prepaid expenses	0.00	0.00	
Balance with Modvat(Cenvat)	1.32	0.00	
Sundry expenses recoverable Interface	-	0.01	
Total	6.80	3.80	-



VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

6 :- Equity Share Capital

(i) Details of Authorised Share Capital are as under

₹ in Lakhs

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Authorized:			
125000000 Equity Shares of Rs 10/- each	12,500 00	12,500 00	12,500 00
Total	12,500 00	12,500 00	12,500 00

(ii) Details of Issued, Subscribed and Paid-up Share Capital are as under

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Issued, Subscribed and Paid-up Share Capital:			
30010000 Equity Shares of Rs 10/- each fully paid up	3001 00	1 00	1.00
Less Face Value of Equity Shares forfeited			
Add. Forfeited Shares (Amount originally Paid-up)			
Total	3001 00	1 00	1 00

(iii) Reconciliation of number of shares outstanding at the beginning and end of the reporting year are given below

(Numbers)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Equity Shares at the beginning of the year	10,000	10,000	10,000
Add Equity Shares allotted during the year	30,000,000		-
Equity Shares at the end of the year	30,010,000	10,000	10,000

(IV) Share holding pattern at the beginning and end of the reporting year are given below

Details of the equity shares Held by Holding company	2016-17		2015-16	
	No of shares	%	No of shares	%
Balmer Lawrie and Company Limited	30009999 00	100 00	9999 00	99 99
Shri Shyam Sundar Khuntia((As nominee of Balmer Lawrie & Co Ltd)	1 00	0 00	1 00	0 01
	30010000.00	100 00	10000 00	100 00

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There are no other individual share holders holding 5% or more in the issues share capital of the company

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VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

7:- Other Equity

(i) Details of Other Equity are as under

Particulars	₹ in Lakhs		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Retained Earnings / Surplus	(201.47)	(147.51)	(96.56)
	(201.47)	(147.51)	(96.56)
Share application money pending allotment	-	-	-
Total	(201.47)	(147.51)	(96.56)

(ii) Movement in Other Equity are as under

Particulars	₹ in Lakhs		
	2016-17	2015-16	2014-15
Balance at the beginning of the year	(147.51)	(96.56)	0
Add Transferred from Statement of Profit & Loss	(53.96)	(50.96)	(96.56)
Total Retained Earnings / Surplus	(201.47)	(147.51)	(96.56)

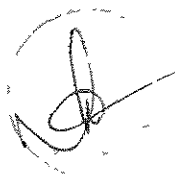
VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

8:- Current Financial Liabilities - Others

(i) Details of Current Financial Liabilities - Others are as under

Particulars	₹ in Lakhs		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Capital Creditors	732.37	-	-
Payable to Balmer Lawrie & Co Ltd	83.06	482.06	196.24
Others - Security Deposits / Earnest Money Deposit	291.18	8.81	-
Total	1,106.62	490.87	196.24



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VISAKHAPATNAM PORT LOGISTIC PARK LIMITED


II. Notes forming part of the Financial Statements as at 31st March 2017

9:- Current Liabilities - Provisions

(i) Details of Current Liabilities - Provisions - Others are as under

₹ in Lakhs

Particulars	₹ in Lakhs		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Provision for Audit fee	0.16	0.00	0.15
Provision for PSIS	3.84	2.14	-
Provision For Compensatory allowance	5.92	1.19	-
			-
Total	9.91	3.33	0.15



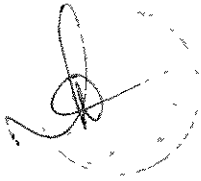
VISAKHAPATNAM PORT LOGISTIC PARK LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2017

10:- Other Current Liabilities

(i) Details of Other Current Liabilities are as under

Particulars	₹ in Lakhs		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Payable to Statutory Authorities (WCT Rs 33.18 lakhs, Building Cess Rs 6.65 lakhs and TDS 28.56 lakhs)	68.39	48.35	-
Total	68.39	48.35	-



9. 4

VISAKHAPATNAM PORT LOGISTICS PARK LIMITED

KOLKATA

II. Notes forming part of Financial Statements for the year ended 31st March 2017

11:- Employee Benefits Expenses

(i) Employee Benefits Expenses for the year are given below

Particulars	₹ in Lakhs	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Salaries and Wages	12.49	0.00
Staff Welfare Expenses	0.30	0.00
Total	12.78	-

ii) Reconciliation of salary and Pie production expenses for the year are given below

Particulars	₹ in Lakhs	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Total Salaries and staff welfare expenses	103.09	65.76
Less. Salary expenses qualifying for Pie - Production Expenses	90.31	65.76
Net Employee benefit expenses	12.78	-



VISAKHAPATNAM PORT LOGISTICS PARK LIMITED

KOLKATA

II. Notes forming part of Financial Statements for the year ended 31st March 2017

12:- Administration and Other Expenses

(i) Administration and Other Expenses for the year are given below:

Particulars	₹ in Lakhs	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Repairs & Maintenance Expenses	1 30	3 35
Office Expenses	1 38	0 46
Rent	9 36	11 02
Travelling and Conveyance Expenses	8 39	12 38
Printing and Stationery	2 35	1 26
Electricity and Gas Charges	0 29	0 48
Advertisement Expenses	5 13	7 57
Telephone and Internet Expenses	0 83	0 14
Vehicles Expenses	4 17	3 29
Fees and Subscriptions	0 01	0 01
Other Expenses	5 36	9 37
Total	38 58	49 32



VISAKHAPATNAM PORT LOGISTICS PARK LIMITED

KOLKATA

II. Notes forming part of Financial Statements for the year ended 31st March, 2017

₹ in Lakhs

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Depreciation and Amortization	2.60	1.64
Total	2.60	1.64



Note 13 Additional Disclosure

13.1 Visakhaptanam Port Logistics Park Limited is a 100% subsidiary of Balmer Lawrie and Company Limited as on 31 03

13.2 Capital commitment for the company as on 31 03 2017 is Rs 8430.43 lakhs comprising of the below mentioned items

₹ in Lakhs

Particulars	2016-17	2015-16
Boundary wall	16.03	1121.91
Project management consultancy	94.13	83.66
Soil Investigation		7.24
Land development	7198.22	
PEB warehouse (Amiya)	419.00	
PEB warehouse (Passive infra)	384.00	
Insulation Panel(Jindal Mectec)	318.00	
TPIA of PEB	1.05	
Total	8430.43	1212.81

13.3 Audit remuneration and expenses

₹ in Lakhs

Particulars	2016-17	2015-16
Audit fees	0.17	0.17

13.4 Depreciation and amortization

₹ in Lakhs

Particulars	2016-17	2015-16
Depreciation and Amortization	2.6	1.64

13.5 Related Party Disclosure

<u>Name of the related party</u>	<u>Nature of the relationship</u>
Balmer Lawrie & Co Ltd CIN:L15492WB1924GOI004835 21 Netaji Subhas Road , Kolkata -700001(India)	Holding Company

13.6 Transaction with related party

Type of transaction	Holding company
---------------------	-----------------

₹ in Lakhs

Particulars	2016-17	2015-16
Expenditure incurred for the project to be reimbursed to Holding Company	83.06	486.06
Investment in Equity	3001.00	1.00



13.7 Earning per share

A Earning per share of the company has been calculated considering loss of Rs 53.96 lakhs as the numerator

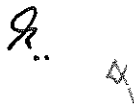
B The weighted average number of the equity shares used as denominator for calculation of the basis and diluted earning per share is 30010000 face value of Rs 10

13.8 Capital work in progress as at balance sheet date is comprised of

₹ in Lakhs		
Asset classification *	2016-17	2015-16
Building and Civil (land development)	3934.39	373.31

* Final classification subject to final allocation /adjustment at the time of capitalisation

13.9 There is no Cash transactions has taken place in the company during the FY 2016-17



1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Basis of Preparation

The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs ('MCA'). The Company has uniformly applied the accounting policies during the period presented. These are the Company's first financial statements prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lacs of Rupees.

The Standalone financial statements for the year ended 31st March are authorised and approved for issue by the Board of Directors

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standalone financial statements have been prepared using the accounting policies and measurement basis summarized below.

2.1 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value

2.2 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Cost of leasehold land having lease tenure over thirty (30) years is amortised over the period of lease. Leases having tenure of thirty (30) years or less are treated as operating lease and disclosed under prepaid expense.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in- Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular re classified as Capital Spares. Such capital spares are capitalised as per Plant, Property & equipment

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on tangible assets is provided on pro-rata basis on the straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower.

The Residual values of all assets are taken as NIL.

2.3 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

2.4 Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost



Significant Accounting Policies and other explanatory information to the Standalone financial statements for the year ended 31 March 2017

- financial assets at fair value through profit or loss (FVTPL)

All financial assets except for those at FVTPL are subject to review for impairment.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Company's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Company has a diversified portfolio of trade receivables from its different segments. Every business segment of the Company has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Company as a whole. The Company generally consider its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using Expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of Expected credit losses.

Derivative financial instruments are carried at FVTPL.

2.5 Inventories

- a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –
- b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.
- c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- e) Loose Tools are Written off over the economic life except items costing upto Rs 10000/- which are charged off in the year of issue.



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2.6 Employee benefits

- a) Company's contributions to Provident Fund and Superannuation Fund are charged to Profit and Loss.
- b) Employee benefits in respect of Gratuity, Leave Encashment, Long Service awards are charged to Profit & Loss on the basis of actuarial valuation made at the year end.
- c) Post-retirement medical benefit is also recognised on the basis of actuarial valuation made at the year end.

Re-measurement 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.

2.7 Government grants

- a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.8 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

2.9 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.



The board of directors assesses the financial performance and position of the Company, and makes strategic decisions and -have identified business segment as its primary segment.

2.10 Provisions, Contingent liabilities and Capital commitments

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material.
- b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company.
- c) Capital commitments and Contingent liabilities disclosed are in respect of items which exceed ` 100,000 in each case.
- d) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.

2.11 Intangible assets

- a) Expenditure incurred for acquiring intangible assets like software costing ` 500,000 and above and license to use software per item of ` 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.
- c) Goodwill on acquisition is not amortised but tested for impairment annually.
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

2.12 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

2.13 Treatment of Grant / Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure.



- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.
- c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

2.14 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on appropriate discount factor.

2.15 Income taxes


Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA 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 accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.



Significant Accounting Policies and other explanatory information to the Standalone financial statements for the year ended 31 March 2017

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

2.16 Leases

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. Where the Company is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

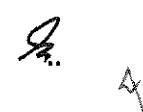
The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Lease rentals for operating leases is recognised in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

2.17 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, including excise though excluding sales taxes, rebates and various discounts.



Significant Accounting Policies and other explanatory information to the Standalone financial statements for the year ended 31 March 2017

Sale of goods

When the property and all significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Services rendered

- a) When service rendered in full or part is recognised by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.
- b) In case of project activities: As per the percentage of completion method after progress of work to a reasonable extent.
- c) In case where the company collects consideration on account of another party .it recognises revenue as the net amount retained on its own account.

Other income:

- a) Interest on a time proportion basis taking into account the outstanding principal and the relative rate of interest.
- b) Dividend from investments in shares on establishment of the Company's right to receive.

