

Independent Auditor's Report

To the Members of Warasgaon Asset Maintenance Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of **Warasgaon Asset Maintenance Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Statement of Changes in Equity, the Cash Flow Statement for the period then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015. 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 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 there under.

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. 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 qualified audit opinion on the financial statements.

Basis for Qualified Opinion:

Current and Non-Current Borrowings from banks and financial institutions and finance charges thereon are subject to confirmation, reconciliation and consequential adjustments, if any.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for possible effects of matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its loss, changes in equity and its cash flows for the year ended on that date.

Other Matters

The comparative financial information of the company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 expressed modified opinion on those standalone financial statements and March 31, 2015 dated April 20, 2015 expressed unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

The basis for modification for financial statements for year ended 31st March 2016 was as under:

In view of the liquidity constraints being faced by the company and its holding company – Lavasa Corporation Limited and in the event that such constraints continue, the company and its holding company may not be able to realise the aggressive projection made by it per its business plans. These plans also serve as the basis for the expert report obtained on impairment of the carrying value of the company's assets. Given this uncertain situation, the consequential impairment of the carrying value of various assets, if any, is not ascertainable.

Our opinion is not modified in respect of this matter.



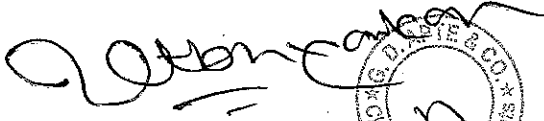

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Government of India –Ministry of corporate affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with in this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
 - (e) On the basis of the 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.



- (iv) The company has disclosed in its financial statements as to holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W

(U. S. Abhyankar)
Partner
Membership No.: 113053
Mumbai, April 17, 2017

ANNEXURE 'A' TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company for the period ended March 31, 2017 of Warasgaon Asset Maintenance Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The company does not hold any immovable properties. Accordingly, the provisions of paragraph 3(i)(c) of the Order are not applicable.
- (ii) The inventories have been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) Based on audit procedures conducted by us and according to information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, provisions of paragraph 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the Order are not applicable.
- (iv) Based on the audit procedures conducted by us and according to the information and explanations given to us, in our opinion, the Company has not advanced any loans, made any investments or given any guarantees and security. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder apply.
- (vi) According to the information and explanations given to us, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employee's state insurance, income tax, service tax, sales tax, duty of customs, duty of



excise, value added tax, cess and other statutory dues as applicable with appropriate authorities though there are delays in few cases in respect of tax deducted at source and Profession Tax.

According to the information and explanation given to us, the undisputed dues in respect of various statutory dues which are outstanding at the yearend for the period of more than six months from the date they became payable are as detailed below:

Name of the Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which amount relates	Due Date
Income Tax Act, 1961	Tax Deducted at Source	2.88	May 2014	June 2014
		0.33	June 2014	July 2014
		0.11	July 2014	August 2014
		6.77	August 2014	September 2014
		6.32	September 2014	October 2014
		4.75	October 2014	November 2014
		2.66	November 2014	December 2014
		0.98	December 2014	January 2015
		0.05	January 2015	February 2015
	10.52	March 2015	April 2015	
	Works Contract Tax	5.66	June 2014	July 2014
		1.04	July 2014	August 2014
		1.81	August 2014	September 2014
		2.09	September 2014	October 2014
		0.35	October 2014	November 2014
		0.95	November 2014	December 2014
		0.40	December 2014	January 2015
		0.15	January 2015	February 2015



		1.19	February 2015	March 2015
		0.31	March 2015	April 2015
		1.24	March 2016	April 2016
Finance Act, 1994	Service Tax	1.37	June 2014	July 2014
		0.10	September 2014	October 2014
		0.27	October 2014	November 2014
		0.04	January 2015	February 2015
		0.13	March 2015	April 2015

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

(viii) According to the information to the extent compiled by the company, the defaults in repayment of loans and borrowings are as below, which are subject to confirmation from the financial institutions, banks and debenture holders:

(Rs. In Lakhs)

Particulars	Principal - Paid with Delay	Principal Unpaid	Interest - Paid with Delay	Interest Unpaid
Union Bank Of India				
Less than 1 Month	-	-	325.46	296.69
1 to 3 Months	-	-	1,112.04	255.59
3 to 6 months	-	-	783.14	-
Central Bank Of India				
Less than 1 Month	-	-	212.55	183.00
1 to 3 Months	-	-	575.78	342.47
3 to 6 months	-	-	209.81	152.73
Axis Bank				
Less than 1 Month	-	-	206.92	126.85
1 to 3 Months	-	-	648.32	241.50
3 to 6 months	-	-	233.67	-
L & T Infra Finance				
Less than 1 Month	-	-	405.25	208.21
1 to 3 Months	-	-	858.02	111.12



(Rs. In Lakhs)

Particulars	Principal - Paid with Delay	Principal Unpaid	Interest - Paid with Delay	Interest Unpaid
3 to 6 months	-	-	284.76	-
IndusInd Bank				
Less than 1 Month	-	-	53.21	-
1 to 3 Months	-	-	94.97	-
3 to 6 months	-	-	41.43	-
Karnataka Bank				
Less than 1 Month	-	-	60.96	27.62
1 to 3 Months	-	-	123.91	22.30
3 to 6 months	-	-	-	-
Allahabad Bank				
Less than 1 Month	-	-	242.38	269.52
1 to 3 Months	-	-	776.59	-
3 to 6 months	-	-	115.25	-
Edelweiss Asset Reconstruction Co. Ltd				
Less than 1 Month	-	-	-	46.99
1 to 3 Months	-	-	-	96.37
3 to 6 months	-	-	-	-

- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). The term loans have been applied for the purpose for which they are obtained.
- (x) According to the information and explanations given by the management and based on our audit procedures, we report that no frauds by the Company or on the Company by any of its officers or employees was noticed or reported during the course of our audit.
- (xi) According to the information and explanations given by the management, no managerial remuneration has been paid during the year. Accordingly paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) According to the explanations given to us, the Company is not a Nidhi Company within the meaning of section 406 of the Act.
- (xiii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details as required by the applicable accounting standards have been disclosed in the financial Statements. Since the company is


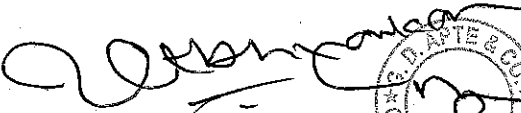


G.D. Apte & Co.
Chartered Accountants

not listed company or a company prescribed within the class of companies under Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, provisions of section 177 of the Act are not applicable to the company.

- (xiv) The Company has made the preferential allotment of shares during the year. As per the information and explanations given to us, the requirements of section 42 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xv) Based upon the audit procedures performed for the purpose of reporting the true and fair view of financial statements and as per information and explanations given to us, we report that the company has not entered into any non-cash transactions of nature as described in section 192(1) of the Act.
- (xvi) Based upon the audit procedures performed by us and as per information and explanations given to us, we report that the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W



(U. S. Abhyankar)
Partner
Membership No.: 113053
Mumbai, April 17, 2017

ANNEXURE 'B' TO THE AUDITORS' REPORT

(Referred to in paragraph 2 (f) under the heading 'Report on other legal and regulatory requirements' of our report on even date on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") to the members of the Company for the period ended March 31, 2017 of Warasgaon Asset Maintenance Limited)

To the Members of Warasgaon Asset Maintenance Limited

We have audited the internal financial controls over financial reporting of Warasgaon Asset Maintenance Limited ("the Company"), as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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.

Meaning of Internal Financial Controls over Financial Reporting

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

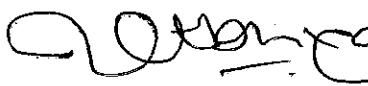
Inherent Limitations of Internal Financial Controls over Financial Reporting


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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W


(U. S. Abhyankar)
Partner
Membership No.: 113053
Mumbai, April 17, 2017



Balance Sheet as at March 31, 2017

(₹ in Lakhs)

Particulars	Note No	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	2.01	0.37	0.43	0.50
Financial Assets				
(i) Loans	2.02	56,426.68	30,886.47	17,592.06
Other Non Current Assets	2.03	20,154.45	19,697.44	1,485.68
Current assets				
(i) Inventories	2.04	7,735.19	7,313.29	7,120.41
Financial Assets				
(i) Cash and cash equivalents	2.05	28.78	4.41	17.15
(ii) Loans	2.06	5,576.59	-	-
Current tax assets (net)	2.07	18.99	18.99	18.99
Other current assets	2.08	4,602.96	5,300.21	614.35
Total Assets		94,544.01	63,221.24	26,849.14
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	2.09	671.84	598.00	15.00
Other Equity	2.10	(25,021.41)	19,293.00	(40,332.48)
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	2.11	113,220.04	39,980.55	60,529.00
Provisions	2.12	10.20	12.19	16.39
Deferred tax liabilities (net)	2.13	-	-	-
Current liabilities				
Financial Liabilities				
(i) Trade payables	2.14	2,325.76	2,173.43	5,325.44
(ii) Other financial liabilities	2.15	2,550.59	467.98	533.91
Other current liabilities	2.16	783.80	688.90	753.24
Provisions	2.17	3.19	7.19	8.65
Total Equity and Liabilities		94,544.01	63,221.24	26,849.14

Significant accounting policies and notes to financial statements form an integral part of Balance Sheet

As per our attached Report of even date

For and on behalf of Board of Directors

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W

Harshad Bhatt
Director
DIN.No.07520677

David Amalraj
Director
DIN.No.07533257

U. S. Abhyankar
Partner
Membership No. 113053

Hamshire Rodriguez
Director
DIN.No.06538992

Amruta Bam
Director
DIN.No.07136342

Place: Mumbai
Date : April 17, 2017

Place : Mumbai
Date : April 17, 2017

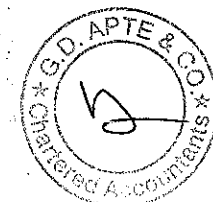


(Signature)

Statement of Profit and Loss for the year ended March 31,2017

(₹ in Lakhs)

Particulars	Note no	For the year ended 31st March,2017	For the year ended 31st March,2016
Revenue from Operations	2.18	-	-
Other Income	2.19	6,271.89	2,519.70
Total Income		6,271.89	2,519.70
EXPENSES			
Operational Expenses	2.20	31.97	42.04
Employee Benefit expenses	2.21	92.38	224.24
Other expenses	2.22	115.91	223.61
Finance Cost	2.23	12,277.51	7,668.88
Depreciation and amortization expenses	2.01	0.06	0.07
Total Expenses		12,517.82	8,158.84
Profit/(Loss) before exceptional items and tax		(6,245.94)	(5,639.14)
Exceptional Items		-	-
Profit/(Loss) before tax		(6,245.94)	(5,639.14)
Tax expenses		-	-
(1) Current tax		-	-
(2) Deferred tax		-	-
Profit/(Loss) for the period from continued operations		(6,245.94)	(5,639.14)
Profit(Loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
Profit(Loss) from discontinued operations (after tax)		(6,245.94)	(5,639.14)
Profit/loss for the period		(6,245.94)	(5,639.14)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Re-measurement gains/(losses) on defined benefit plans		1.45	(1.60)
- Income Tax Effect		-	-
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(6,244.49)	(5,640.75)



(₹ in Lakhs)


Particulars	Note no	For the year ended 31st March,2017	For the year ended 31st March,2016
Earning per equity share (For continuing operation):			
i) Basic (₹ per share)		(100.47)	(350.81)
ii) Diluted (₹ per Share)		(100.47)	(350.81)
Earning per equity share (For discontinued operation):			
i) Basic (₹ per share)		-	-
ii) Diluted (₹ per Share)		-	-
Earning per equity share (For discontinued & continuing operations):			
i) Basic (₹ per share)		(100.47)	(350.81)
ii) Diluted (₹ per Share)		(100.47)	(350.81)

Significant accounting policies and notes to financial statements form an integral part of the Statement of Profit and Loss.


As per our attached Report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W


Harshad Bhatt
Director
DIN.No.07520677


David Amalraj
Director
DIN.No.07533257


U. S. Abhyankar
Partner
Membership No. 113053



Hamshire Rodriguez
Director
DIN.No.06538992

Amruta Bam
Director
DIN.No.07136342

Place: Mumbai
Date : April 17, 2017

Place : Mumbai
Date : April 17, 2017



Statement of Cash Flow for the For the year ended 31st March,2017

(₹ in Lakhs)

Particulars	For the year ended 31st March,2017	For the year ended 31st March,2016
CASH FLOW FROM OPERATING ACTIVITIES		
- Net profit / (loss) before tax and Exceptional items	(6,245.94)	(5,639.14)
Finance Income on Performance Security Deposits	(6,270.26)	(2,519.70)
Other Comprehensive Income	1.45	(1.60)
Finance Cost	12,277.51	7,668.88
Depreciation	0.06	0.07
Operating Cash Flow before working Capital changes	(237.18)	(491.49)
- (Increase) / Decrease in Loans & Advances	(73,117.58)	(36,867.40)
- (Increase) / Decrease in Inventory	(421.91)	(192.87)
- (Increase) / Decrease in Other Current Assets	415.65	(89.68)
- Increase / (Decrease) in Long Term Provisions	(1.99)	(4.20)
- Increase / (Decrease) in Short Term Provisions	(4.01)	(1.45)
- Increase / (Decrease) in Trade Payable	152.34	(3,152.01)
- Increase / (Decrease) in Other financial Liabilities	286.76	-
- Increase / (Decrease) in Other Current Liabilities	94.89	(64.34)
NET CASH FLOW FROM OPERATING ACTIVITIES	(72,833.03)	(40,863.45)
CASH FLOW FROM INVESTING ACTIVITIES	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
- Proceeds from / (Repayment of) Borrowings	72,927.69	(11,549.63)
- Share Premium	7,325.24	57,764.04
- Proceeds from issuance of Equity Share Capital	73.84	583.00
- Proceeds from issuance of Preference Share Capital	0.15	0.47
- Interest & Finance Charges Paid	(7,469.53)	(5,947.18)
NET CASH FROM FINANCING ACTIVITIES	72,857.39	40,850.72



Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Net increase / (decrease) in Cash and Cash Equivalents	24.36	(12.74)
Cash and Cash Equivalents at beginning of year	4.41	17.15
Cash and Cash Equivalents at end of year	28.78	4.41


Notes :

- i) Details of Cash and cash equivalents are given in note No. 2.05
- ii) The above cash- flow statement has been prepared under the indirect method setout in Ind AS 7, 'Statement of Cash flows' specified under section 133 of the Act read with rule 4 of the Companies (Indian Accounting Standard) Rules, 2015 and rule 4 of Companies (Indian Accounting Standard) Amendment Rules 2016.
- iii) Direct Tax paid is treated as arising from operating activities and are not bifurcated into investing and financing activities.
- iv) All figures in brackets indicate outflow.
- v) Previous year's figures have been regrouped/recasted where necessary.


As per our attached Report of even date

For and on behalf of Board of Directors

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W


Harshad Bhatt
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Membership No. 113053



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Director
DIN.No.06538992

Amruta Bam
Director
DIN.No.07136342

Place: Mumbai
Date : April 17, 2017

Place : Mumbai
Date : April 17, 2017

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

A) Equity Share Capital

Particulars	No of Shares	(₹ in Lakhs)
At 1st April 2015	150,000	15.00
Changes in Equity share Capital	5,830,027	583.00
At 31st March 2016	5,980,027	598.00
Changes in Equity share Capital	738,388	73.84
At 31st March 2017	6,718,415	671.84

B) Other Equity

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity investment by holding company	Reserve and Surplus		Other items of Other Comprehensive Income	Total
			Securities Premium Reserve	Retained Earnings		
Balance as on 1st April 2015	-	19,220.94	990.00	(60,533.72)	(9.71)	(40,332.48)
Securities Premium on issue of Shares	-	-	57,717.27	-	-	57,717.27
Dividend paid *	-	-	-	(69,037.71)	-	(69,037.71)
Equity contribution by Holding Company **	-	76,586.67	-	-	-	76,586.67
Balance as the end of year	0.00	-	-	-	-	0.00
Other Comprehensive Income	-	-	-	-	(1.60)	(1.60)
Profit / (Loss) for the period	-	-	-	(5,639.14)	-	(5,639.14)
Balance at the end of 31st March 2016	0.00	95,807.61	58,707.27	(135,210.57)	(11.31)	19,293.00
Securities Premium on issue of Shares	-	-	7,310.04	-	-	7,310.04
Deemed dividend paid	-	-	-	(48,271.04)	-	(48,271.04)
Equity contribution by Holding Company **	-	2,891.07	-	-	-	2,891.07
Balance as the end of year	0.00	-	-	-	-	0.00
Other Comprehensive Income	-	-	-	-	1.45	1.45
Profit / (Loss) for the period	-	-	-	(6,245.94)	-	(6,245.94)
Balance at the end of 31st March 2017	0.00	98,698.68	66,017.31	(189,727.54)	(9.86)	(25,021.41)

* Represents excess of amount of Performance Security Deposit given to the Holding Company over its fair value.

** Includes fair valuation of corporate guarantee given by holding company, excess of amount received from holding company in respect of performance security deposit /Inter-corporate Deposit over its amortised cost/fair value.

Significant accounting policies and notes to financial statements form an integral part of the Statement of Changes in Equity

As per our attached report of even date

For and on behalf of Board of Directors

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W

Harshad Bhatt
Director
DIN.No.07520677

David Amalraj
Director
DIN.No.07533257

U. S. Abhyankar
Partner
Membership No. 113053

Hamshire Rodriguez
Director
DIN.No.06538992

Amruta Bam
Director
DIN.No.07136342

Place: Mumbai
Date : April 17, 2017

Place : Mumbai
Date : April 17, 2017



(Handwritten signature)

Note No.1: SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS AS AT 31ST March 2017

A Company Overview

Warasgaon Asset Maintenance Limited ('the company') is a public limited company incorporated and domiciled in India. The Company has entered in to a concession agreement on 24th June, 2011 with Lavasa Corporation Limited to design, develop, Engineer procure, construct, operate & maintain infrastructure Facility for a period of 17 years. The company was incorporated in 2011 and having its registered office in Mumbai, India. The Company operates as a subsidiary of Lavasa Corporation Limited.

B Significant Accounting Policies

1 Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of Companies Act, 2013 (to the extent notified), the Ind AS prescribed under section 133 of the Act read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all Ind AS and adoption has been carried out in accordance with Ind AS101, First Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

2 Statement of Compliance

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow, together with significant accounting policies and notes for the year ended March 31, 2017 have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

3 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii. Defined benefit and other long-term employee benefits.

4 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (₹) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest lakhs except where otherwise indicated.

5 First-time adoption of Ind AS

The financial statements for the year ended March 31, 2017 are the first financial statements prepared by the company in accordance with Ind AS.

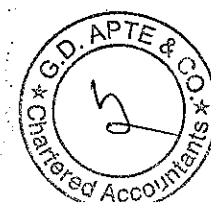
For the periods up to and inclusive of year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards specified in section 133 of companies Act 2013 read together with rule 7 of Companies (Accounting Standards) Rules 2014 (Previous GAAP). Reconciliation and description of the effect of transition from previous GAAP to Ind AS on equity, Profit and cash flows are provided in Notes 2.33, 2.34, 2.35 and 2.36. The Balance Sheet as on the date of transition has been prepared in accordance with Ind AS 101 first-time Adoption of Indian Accounting Standards.

Ind AS 101 requires that all Ind AS for the first Ind AS Financial Statements, be applied consistently and retrospectively for all fiscal years presented. However this standard provides some exceptions and exemptions to this general requirement in specific cases. The application of these exceptions and exemptions are as discussed below:

(a) Exceptions to retrospective application of other Ind AS

i. Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The Company has not made any changes to estimates made in accordance with Previous GAAP.



ii. Ind AS 109 – Financial Instruments (Classification and measurement of financial assets) :

Classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

(b) Exemptions from retrospective application of Ind AS

i. Ind AS 16 Property, Plant and Equipment/ Ind AS 38 Intangible assets :

An entity may elect to measure an item of property, plant and equipment and Intangible asset at the date of transition to Ind AS at its fair value and use that fair value as deemed cost at that date or may measure the items of Property, plant and equipment, Intangibles by applying Ind AS retrospectively or use the carrying amount under Previous GAAP on the date of transition as deemed cost. The Company has elected to continue with the carrying amount for all of its property, plant and equipment , Intangible assets measured as per Previous GAAP and use that as its deemed cost as at the date of transition.

Decommissioning liabilities included in the cost of Property, Plant and Equipment:

Appendix A to Ind AS 16 on Changes in Existing, Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates. The adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. The Company has not adjusted changes in liabilities to the cost of assets retrospectively.

ii. Ind AS 17 Leases :

An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes both land and building elements, an entity shall assess the classification of each element as finance or operating lease. The Company has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.

6 Use of Estimates

The preparations of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities, at the time of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are :

Useful lives of property, plant and equipment

Measurement of defined employee benefit obligations

Provisions

Utilisation of Tax Losses

7 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

8 Depreciation and Amortization

Depreciation on tangible assets is provided on reducing balance method over the estimated useful lives of the assets on pro-rata basis. The estimated useful lives are as below,

Office Equipments : 20 years

For the above class of asset, based on internal assessment, Management believes that the useful life as given above represents the period over which it expects to use these assets. Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.



9 Financial Instruments

a. Financial Assets

Financial assets comprises of investments in the equity and debt securities, trade receivables cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognised initially at fair value plus in case of financial assets not are recorded fair value through profit or loss, transaction cost are attributable to the acquisition of financial assets purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the assets.

Subsequent measurement:

i. Financial assets measured at amortized cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortisation is recognised as finance income in Statement of Profit and Loss.

The Company while applying above criteria has classified the following at Amortised cost

- a) Trade receivables
- b) Other Financial Assets

ii. Financial assets at Fair Value through other comprehensive income (FVTOCI):

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognised in other comprehensive income.

iii. Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the Statement of Profit and Loss.

Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in the Statement of Profit and Loss.

Impairment of financial assets

Trade receivables, contract assets under Ind AS 109 are tested for impairment based on the expected credit losses for respective financial asset.

I. Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecast of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

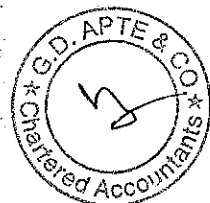
II. Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is a significant increase in credit risk.

b. Financial liabilities

Initial Recognition and Measurement:

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.



Subsequent Measurement:

The financial liabilities are classified for subsequent measurement into following categories-

- At amortised cost
- At fair value through profit or loss

i. Financial liabilities at amortised cost

The companies classifying the following under amortised cost;

- a) Trade payables
- b) Other financial liabilities

Amortised cost for financial liabilities represents the amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

ii. Financial liabilities at fair value through profit or loss

Financial liabilities held for trading are measured at FVTPL.

Derecognition of financial liabilities

A financial liability shall be derecognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

c. Offsetting of financial assets and financial liabilities -

Financial assets and liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

d. Reclassification of Financial Assets -

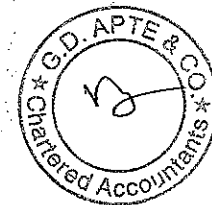
The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets of liabilities that are specifically designated at FVTPL. For Financial Assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the company's operations. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies the financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

10 Impairment

The Company makes assessment of any indicator that may lead to impairment of the Assets on an annual basis. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value, which is higher of net selling price and the value in use. Impairment loss, if any, is charged to profit and loss account in the year in which it is identified as impaired.

11 Taxes on Income

The tax expense comprises of current tax & deferred tax charged or credited to the Statement of Profit and Loss for the year. Current tax is calculated in accordance with the tax laws applicable to the current financial year. The deferred tax charge or credit is recognised using the tax rates and tax laws that have been enacted by the balance sheet date. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. At each balance sheet date, recognised and unrecognised deferred tax assets are reviewed.



12 Revenue Recognition

i) The Company recognizes a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from grantor for the construction, upgrade and maintenance of services provided. Such financial assets are measured at fair value on initial recognition and classified as receivables. Subsequent to initial recognition, the financial assets are measured at amortized cost. Under this model financial asset will be reduced as and when Annuity has been received from grantor. The difference, if any between the annuity and fair value of revenue recognized, is recognized as Finance Income on a systematic basis.

The Company follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost to the completion of the contract and the profit so determined accounted for proportionate to the percentage of the actual work done. Foreseeable losses are accounted for as and when they are determined.

ii) Other items of income are accounted as and when the right to receive arises.

13 Employee Benefits

i) Defined Contribution Plans

Company's Contributions paid/payable during the year to Provident Fund and Labour Welfare Fund are recognized in the Profit and Loss Account.

ii) Defined Benefit Plan & Other long term benefits

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognized immediately in the statement of Profit and Loss Account as income or expenses. Obligation is measured at the present value of estimated future cash flows using a discounted rate that determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

iii) Short-term employee benefits such as salaries, wages, short term compensated absences, performance incentives etc. and expected cost of bonus are recognized as expenses at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

iv) Compensated absences

The company recognizes an obligation for compensated absences in the period in which the employee renders the services. The company provides for the expected cost of compensated absence in the Statement of Profit or Loss as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated based on actuarial valuations carried out by an independent actuary at the Balance Sheet date.

14 Borrowing Costs

Borrowing costs (less any income on the temporary investments of those borrowings) attributable to qualifying assets are capitalised. Other borrowing costs are charged to Profit and Loss Account.

15 Contingencies / Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not provided for unless a reliable estimate of probable outflow to the Company exists as at the Balance Sheet date. Contingent assets are not recognised and are disclosed where an inflow of economic benefits is probable.

16 Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earning per share, net profit & loss for the year attributable to equity shareholders and weighted number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

17 Foreign Currency Transactions

Foreign currency transactions during the year are accounted at the prevailing rate on the date of transaction. Current assets and current liabilities are translated at the exchange rate prevailing on the last day of the year. Gains or losses arising out of remittance/ translations at the year end are credited/ debited to the profit and loss account for the year.

18 Segmental Reporting

The Company's operation is considered under one segment "operate & maintain the transportation infrastructure/ project facility on annuity basis" for internal reporting. Therefore, the Company's business does not fall under different operational segments as defined by Ind AS 108 - "Operating Segments" referred to in Section 133 of the Companies Act, 2013.



C Recent accounting pronouncements

1 Standards issued but not yet effective

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

2 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.

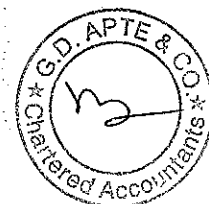


Notes to and forming part of the financial statements as at and for the year ended 31st March 2017

2.01 Property, Plant & Equipment

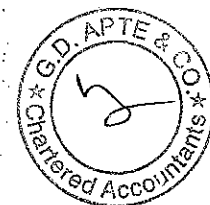
(₹ in Lakhs)

Particulars	Tangible Assets	
	Plant & Machineries, Office Equipments	Total
Gross Carrying Value		
As at 1st April 2015	0.59	0.59
Additions	-	-
Deductions/ disposals	-	-
As at 31st March 2016	0.59	0.59
Additions	-	-
Deductions/ disposals	-	-
As at 31st March 2017	0.59	0.59
Accumulated Depreciation and Impairment		
As at 1st April 2015	0.09	0.09
Depreciation charge for the year	0.07	0.07
Accumulated depreciation/ amortisation on disposals	-	-
As at 31st March 2016	0.16	0.16
Depreciation charge for the year	0.06	0.06
Accumulated depreciation/ amortisation on disposals	-	-
As at 31st March 2017	0.22	0.22
Fixed Asset Net Carrying Value		
As at 31st March 2017	0.37	0.37
As at 31st March 2016	0.43	0.43
As at 1st April 2015	0.50	0.50



Notes to and forming part of the financial statements as at and for the year ended 31st March 2017

	(₹ in lakhs)		
	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
2.02 Loans (Unsecured, considered good)			
Performance Security Deposit	56,426.68	30,886.47	17,592.06
	<u>56,426.68</u>	<u>30,886.47</u>	<u>17,592.06</u>
2.03 Other Non current assets			
Prepaid Guranatee Expenses	20,154.45	19,697.44	1,485.68
	<u>20,154.45</u>	<u>19,697.44</u>	<u>1,485.68</u>
2.04 Inventories			
Stores & Spare Material	0.06	0.06	0.09
Contracts Work in Progress	7,735.13	7,313.23	7,120.33
	<u>7,735.19</u>	<u>7,313.29</u>	<u>7,120.41</u>
2.05 Cash and Cash equivalents			
(a) Balances With Banks	28.75	4.38	17.07
(b) Cash On Hand	0.03	0.04	0.08
	<u>28.78</u>	<u>4.41</u>	<u>17.15</u>
2.06 Loans (Unsecured, considered good)			
Performance Security Deposit	5,576.59	-	-
	<u>5,576.59</u>	<u>-</u>	<u>-</u>
2.07 Current Tax Assets (Net)			
Current Direct Tax Assets	18.99	18.99	18.99
	<u>18.99</u>	<u>18.99</u>	<u>18.99</u>
2.08 Other Current Assets			
Advances to Staff	-	-	1.58
Advances to Suppliers	0.02	-	1.75
Balances with Govt. Authorities	38.95	449.87	362.57
Other Amounts Recoverable	190.13	204.56	0.28
Prepaid Guranatee Expenses	4,373.85	4,645.78	248.18
	<u>4,602.96</u>	<u>5,300.21</u>	<u>614.35</u>



	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
2.09 Share Capital			
(a) Authorised			
70,00,000 (Previous Year 2,00,000) Equity Shares of Rs. 10/- each	700.00	700.00	20.00
1,00,000 (Previous Year Nil) Preference Shares Shares of Rs. 10/- each	10.00	10.00	-
	710.00	710.00	20.00
(b) ISSUED			
Equity Share Capital			
67,18,415 (Previous Year 59,80,027) Equity Shares of Rs.10/- each fully paid up	671.84	598.00	15.00
Redeemable Preference Share Capital			
6260, 0.001% convertible preference shares (previous year 4725) of Rs.10/- each	0.63	0.47	-
Total	672.47	598.48	15.00
(c) SUBSCRIBED AND PAID UP			
Equity Share Capital			
6718415 (Previous Year 5980027) Equity Shares of Rs.10/- each fully paid up	671.84	598.00	15.00
Total	671.84	598.00	15.00

(i) Reconciliation of shares outstanding at the beginning and at the end of the period

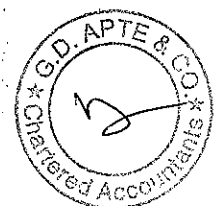
<u>Equity Shares</u>	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs
At the beginning of the year	5,980,027	598.00	150,000	15.00	150,000	15.00
Shares issued during the year for cash	738,388	73.84	5,830,027	583.00	-	-
Shares issued during the year pursuant to conversion of CCPS	-	-	-	-	-	-
At the end of the year	6,718,415	671.84	5,980,027	598.00	150,000	15.00

(ii) Details of holding company and shareholders holding more than 5% of shares.

Equity Shares of ₹ 10 each fully paid	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Holding Company-Lavasa Corporation Limited	6,718,415	100.00%	5,980,027	100.00%	150,000	100.00%

(iii) Rights & restriction attached to equity shareholders

The Company has only one class of equity shares having face value as ₹ 10/- each. Every holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. Any dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.



	As at March 31st, 2017	As at March 31st, 2016	(₹ in lakhs) As at April 1st, 2015
2.10 Other Equity			
Reserves and Surplus			
(a) Securities Premium Reserve;			
Opening Balance	58,707.27	990.00	990.00
Add : Additions:	7,310.04	57,717.27	-
Less : Deletion / Utilisation	-	-	-
	<u>66,017.31</u>	<u>58,707.27</u>	<u>990.00</u>
(b) Surplus / (deficit) in the statement of Profit & Loss			
Balance brought forward from last year	(135,210.57)	(60,533.72)	(58,338.41)
Add: Profit/(Loss) for the year	(6,245.94)	(5,639.14)	(2,195.30)
Less: Dividend Paid	(48,271.04)	(69,037.71)	-
Net Surplus/(Deficit)	<u>(189,727.54)</u>	<u>(135,210.57)</u>	<u>(60,533.72)</u>
(c) Other Comprehensive Income			
Balance brought forward from last year	(11.31)	(9.71)	-
Add: Profit/(Loss) for the year	1.45	(1.60)	(9.71)
Net Surplus/(Deficit)	<u>(9.86)</u>	<u>(11.31)</u>	<u>(9.71)</u>
(d) Deemed Equity Investment by Holding Company			
Opening Balance	95,807.61	19,220.94	
Add : Additions:	2,891.07	76,586.67	19,220.94
Less : Deletion	-	-	-
	<u>98,698.68</u>	<u>95,807.61</u>	<u>19,220.94</u>
(e) Share Application Money			
Pending for Allotement	0.00	0.00	-
	<u>0.00</u>	<u>0.00</u>	<u>-</u>
	<u>(25,021.41)</u>	<u>19,293.00</u>	<u>(40,332.48)</u>
Non-current liabilities			
Financial Liabilities			
2.11 Borrowings			
A) Term loans - Secured			
From Bank			
Primary Security			
First Charge/Hypothecation on the current assets including receivables of the Company			
First Charge on all bank accounts of the Company including but no limit to Escrow account to be established by the Company Negative lien on concession right acquired in respect of Transportation Infrastructure under the Concession Agreement.			
Collateral Security			
Lavasa Corporation Limited has created a joint mortgage on 259.6622 Hectors of its land in favour of Axis Bank for Term Loan taken by itself and Company.			
Guarantee			
Irrevocable and unconditional corporate guarantee of Lavasa Corporation Limited.			
Less: Classified as other current liability due to maturity within next 12 months (Note No 2.16)	30.25		
	<u>12,069.52</u>	<u>8,913.64</u>	<u>49,462.00</u>



	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
From Bank	28,594.00	12,048.00	-
Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (b))	71.49	-	-
	<u>28,522.52</u>	<u>12,048.00</u>	<u>-</u>
From Bank	17,378.33	8,838.73	-
Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (b))	43.45	-	-
	<u>17,334.88</u>	<u>8,838.73</u>	<u>-</u>
From Bank	-	711.00	-
Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (b))	-	-	-
	<u>-</u>	<u>711.00</u>	<u>-</u>
From Financial Institution	4,610.37	-	-
Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (b))	11.53	-	-
	<u>4,598.84</u>	<u>-</u>	<u>-</u>
From Bank	2,681.67	801.00	-
Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (b))	15.65	-	-
	<u>2,666.02</u>	<u>801.00</u>	<u>-</u>
From Financial Institution	19,332.00	6,600.00	-
Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (c))	48.33	-	-
	<u>19,283.67</u>	<u>6,600.00</u>	<u>-</u>

(i) Primary Security (On paripassu Basis)

First charge/Hypothecation on the current assets including receivables of the Borrower

First charge on all bank accounts of the Borrower including but not limited to the Escrow account to be established by the Borrower

Negative lien on rights acquired in respect of infrastructure assets under the Concession Agreement executed between the Promoter & the Borrower

(ii) Collateral Security (First paripassu Charge)

Land of 3366.18 Ha including Building across all villages of Mugaon, Bhoini, Admal, Dhamanohol, Mose, Plase, Padaighar, Wadavali, Dasve, bembatmal, Gadle, Koloshi, Patharset, Saiv, Sakhari, Ugavali & bhode

Immovable & Movable Fixed Assets, Current Assets, Receivables, Investments & All Bank accounts including TRA mortgaged in promoter entity



As at March
31st, 2017As at March
31st, 2016As at April
1st, 2015

Share Pledge (on First Pari Passu Basis with existing Lenders of Lavasa excluding ARCIL)

Pledge of entire shareholding of in LCL by existing shareholders to the Lenders of Warasgaon Assets Maintenance Limited (except for 132 shares held by Bennett Coleman & Company Limited)

Pledge of Promoter (LCL) holding on Borrower (WAML)

Pledge of Promoter (LCL) holding in Sahaydri City Management Limited

(iii) Other Information

CORPORATE GUARANTEE OF PROMOTERS

- a) Lavasa Corporation Limited
- b) HCC Real Estate Limited

Tenor

Door to door tenor of 20 years (including 2 years of moratorium period & ballooning repayment over 18 years) The Facility shall be repaid in 72 quarterly structured installments starting from 31 December 2017 & ending on September 30, 2035 as per schedule

From Bank

26,430.19

1. First pari-passu charge on Immovable & Movable Fixed Assets, Current Assets, Receivables, Investments, & all Bank accounts including Escrow of WAML, Assignment of Rights over concession agreement in favour of lenders

2. Corporate Guarantee for 100% of loan o/s by both HREL and LCL

3. Pledge of entire shareholding of HREL and VMM in LCL

4. Pledge of entire shareholding of LCL in WAML

5. Pledge of entire shareholding of LCL in SCML

Following security, for creation of pledge as on date, is under consideration:

1. Pledge of entire shareholding of VHPL and ARL in LCL

2. Second pari-passu charge over 3366.18 Ha Land owned by LCL, Immovable & Movable Fixed Assets, Current Assets, Receivables, Fixed Assets, Investments, & all Bank accounts including TRA of LCL.

Less: Classified as other current liability due to maturity within next 12 months (Note No 2.19 (b))

66.08

26,364.11



(₹ in lakhs)

As at March
31st, 2017As at March
31st, 2016As at April
1st, 2015**Overdue Interest amount as on 31st March, 2017 (No. of days)**

Name of the lender	Interest Unpaid as on 31/3/17	
	1-30 Days	30-120 days
Axis Bank Limited	126.85	241.50
Central Bank Of India	183.00	495.19
Karnataka Bank	27.62	22.30
Union Bank of India	296.69	255.59
L&T Infra Limited	208.21	111.12
Allahabad Bank	269.52	-
Edelweiss Asset Reconstruction Co. Ltd	46.99	96.37

Sub Total (A)

110,839.5637,912.3749,462.00

(₹ in lakhs)

	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
B) Loans and advances from related parties (unsecured)			
Inter-Corporate Deposit from Related Parties	2,333.51	2,036.59	11,067.00
Sub Total (B)	<u>2,333.51</u>	<u>2,036.59</u>	<u>11,067.00</u>
C) Liability Component of Compound Financial Instrument			
Cumulative Redeemable Preference Shares 6,260 (Previous Year 4725) 6% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up (Refer note 2.11 (D))	46.97	31.59	-
Sub Total (C)	<u>46.97</u>	<u>31.59</u>	<u>-</u>
Total (A+B+C)	<u>113,220.04</u>	<u>39,980.55</u>	<u>60,529.00</u>

D) Details of Redeemable Preference Shares

i) Reconciliation of shares outstanding at the beginning and at the end of the period

<u>0.001% Redeemable Preference Shares</u>	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs	No of shares	₹ In Lakhs
At the beginning of the year	4,725	0.47	-	-	-	-
Shares issued during the year for cash	1,535	0.15	4,725	0.47	-	-
Redeemed during the year	-	-	-	-	-	-
At the end of the year	6,260	0.63	4,725	0.47	-	-

ii) Details of holding company and shareholders holding more than 5% of shares.

<u>0.001% Redeemable Preference Shares</u>	As at March 31st, 2017		As at March 31st, 2016		As at April 1st, 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Holding Company-Lavasa Corporation Limited	6,260	100.00	4,725	100.00	-	100.00

iii) Rights & restriction attached to Redeemable Preference shareholders

Dividend on cumulative redeemable preference shares proposed by Board of Directors is subject to approval of the shareholders in the Annual General Meeting. Each holder of preference share is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to preference shares. Cumulative preference shareholders are entitled to vote on every resolution if preference dividend remains unpaid for 2 years. As per the Common Loan Agreement with Consortium Lenders, the Company has to satisfy the conditions set therein before declaring preference dividend.

2.12 Long Term Provisions**Provision For Employee Benefits**

Leave Encashment and Sick Leave
Gratuity

3.68 3.70 6.19
6.52 8.49 10.21

10.20 12.19 16.39

2.13 Deferred tax liabilities (net)**A) Deferred tax assets**

Plant, Property & Equipment
Provision for Gratuity
Provision for Leave Encashment
Preliminary Expense
Fair Valuation of Performance security Deposit

116.70 155.61 207.48
2.79 2.61 3.27
1.79 2.89 4.47
- 0.03 0.06

15,560.26 15,554.82 5,723.99
15,681.55 15,715.96 5,939.27

B. Deferred Tax Liabilities

Fair Valuation of Inter Corporate Deposit
Fair Valuation of Financial Guarantee

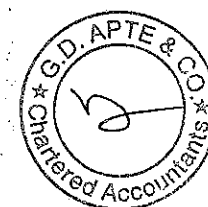
8,102.31 8,193.90 5,403.51
7,579.24 7,522.05 535.76

15,681.55 15,715.96 5,939.27

Net Deferred Tax Liabilities (A-B)

(refer note 2.37)

0.00 0.00 -



(₹ in lakhs)

	As at March 31st, 2017	As at March 31st, 2016	As at April 1st, 2015
Current liabilities			
Financial Liabilities			
2.14 Trade payables			
Payable to Related Parties	2,107.62	1,827.10	5,005.56
Others	218.14	346.33	319.88
	<u>2,325.76</u>	<u>2,173.43</u>	<u>5,325.44</u>
2.15 Other Financial Liabilities			
Current maturities of Long Term Borrowings			
(a) Term Loans from Bank (Secured)	226.90		
(b) Term Loans from Financial Institutions (Secured)	59.86		
Interest Accrued And Due On Secured Borrowing	2,263.83	467.98	533.91
	<u>2,550.59</u>	<u>467.98</u>	<u>533.91</u>
2.16 Other Current Liabilities			
Other Payables			
Statutory & employee dues payable	134.17	86.45	100.04
Provision For Other Expenses	351.54	367.30	399.44
Retention Deposit Payables	298.08	235.16	253.76
Other creditors	-	-	-
	<u>783.80</u>	<u>688.90</u>	<u>753.24</u>
2.17 Short Term Provisions			
Provision For Employee Benefits			
Leave Encashment and Sick Leave	2.13	5.64	8.27
Gratuity	1.06	1.55	0.38
	<u>3.19</u>	<u>7.19</u>	<u>8.65</u>



	For the year ended 31st March, 2017	For the year ended 31st March, 2016
2.18 Revenue from Operations		
Revenue form operation*	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
* The company has not recognised any revenue in terms of the 'Service Concession Agreement' since no significant work /services have commenced till March 31, 2017. Pending this, the costs incurred have been depicted as 'Construction WIP'. Revenue recognition shall be commenced once there is a reasonable development and certainty in the work /services rendered, in terms of the applicable accounting framework.		
2.19 Other Income		
Interest on Performance Security Deposit	6,270.26	2,519.70
Miscellaneous Income	1.63	-
	<u>6,271.89</u>	<u>2,519.70</u>
	<u>6,271.89</u>	<u>2,519.70</u>
2.20 Operational Expenses		
Direct Expenses for Road & other Operational Expenses		
Civil Work & Contract Charges	3.47	67.25
Operational & Direct Expenses	28.50	44.82
	<u>31.97</u>	<u>112.07</u>
Less : Transferred to Contract Work in Progress	-	70.03
	<u>31.97</u>	<u>42.04</u>
	<u>31.97</u>	<u>42.04</u>
2.21 Employee Benefit Expenses		
Salaries and wages	83.23	286.10
Contribution to provident and other funds	6.39	12.35
Staff welfare expenses	2.76	5.04
	<u>92.38</u>	<u>303.49</u>
Less : Transferred to Contract Work in Progress	-	79.26
	<u>92.38</u>	<u>224.24</u>
	<u>92.38</u>	<u>224.24</u>
2.22 Office, Site Establishment and Other Expenses		
Office & Other General Expenses	47.37	257.83
Power & Fuel	36.04	15.20
Rates & Taxes	20.42	17.06
Professional & Consultation Charges	10.25	32.15
Insurance	1.22	3.56
Payment to Auditor		
for Statutory Audit	0.61	0.20
for Other Services	-	-
for reimbursement of expenses	-	-
	<u>115.91</u>	<u>326.00</u>
Less : Transferred to Contract Work in Progress	-	102.39
	<u>115.91</u>	<u>223.61</u>
	<u>115.91</u>	<u>223.61</u>
2.23 Finance Cost		
Interest on Term Loans	9,259.51	5,668.99
Interest Paid On lcd	296.42	1,273.84
Other borrowing cost	20.86	14.76
Guarantee Expenes Amortised.	2,700.72	711.29
	<u>12,277.51</u>	<u>7,668.88</u>
Less : Transferred to Contract Work in Progress	-	0.00
	<u>12,277.51</u>	<u>7,668.88</u>
	<u>12,277.51</u>	<u>7,668.88</u>



2.24 Contingent Liability

(₹ In Lakhs)

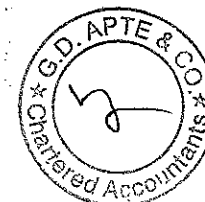
a) Particulars	31st March	
	2017	2016
Contingent Liability	NA	NA

b) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)- ₹ 9.45 Lakhs. (Previous year ₹ 890.61 Lakhs).

2.25 Related Party Disclosure

i) Particulars of Related Parties, which control or are under common control with the Company :

<p>A) Holding Company & Ultimate Holding Company Hindustan Construction Company Limited (HCC) - Ultimate Holding Company HCC Real Estate Limited (HREL)- Parent Company of Holding Company Lavasa Corporation Limited- Holding Company</p> <p>B) Fellow Subsidiaries Dasve Business Hotel Limited Dasve Hospitality Institutes Limited Dasve Retail Limited Dasve Convention Center Limited Full Spectrum Adventure Limited Future City Multiservices Sez Limited Hill City Service Apartments Limited Hill View Parking Services Limited Kart Racers Limited Lakeview Clubs Limited Lavasa Bamboocrafts Limited Lavasa Hotel Limited Mugaon Luxury Hotels Limited My City Technology Limited Nature Lovers Retail Limited Our Home Service Apartments Limited Reasonable Housing Limited Rhapsody Commercial Space Limited Rosebay Hotels Limited Sahyadri City Management Limited Lakeshore Watersports Company Limited Verzon Hospitality Limited Warasgaon Power Supply Limited Warasgaon Infrastructure Providers Limited Valley View Entertainment Limited Warasgaon Tourism Limited Warasgaon Valley Hotels Limited</p> <p>D) Other Related Parties Associates: Knowledge Vistas Limited Joint Ventures: Andromeda Hotels Limited Green Hills Residences Limited Spotless Laundry Services Limited Whistling Thrush Facilities Services Limited Ecomotel Hotel Limited Starlit Resort Limited Bona Sera Hotels Limited Apollo Lavasa Health Corporation Limited</p> <p>Subsidiary of Ultimate Holding Company Steiner India Limited</p>

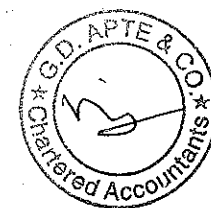


ii) Transactions with Related Parties during the period :

Nature of Transactions	(₹ In Lakhs)					
	Parent Company		Fellow Subsidiaries		Other Related Parties	
	31st March 2017	31st March 2016	31st March 2017	31st March 2016	31st March 2017	31st March 2016
Performance Security Deposits Given Lavasa Corporation Limited	73,117.58	90,144.96	-	-	-	-
Performance Security Deposits Refund Received Lavasa Corporation Limited	-	53,277.56	-	-	-	-
Performance Security Deposits Outstanding Lavasa Corporation Limited	171,797.50	98,679.92	-	-	-	-
Inter Corporate Deposit received during the year Lavasa Corporation Limited	0.50	-	-	-	-	-
Inter Corporate Deposit Outstanding Lavasa Corporation Limited	28,554.58	28,554.08	-	-	-	-
Corporate Guarantees Received on behalf of the Company & Outstanding Lavasa Corporation Limited	113,410.08	37,912.37	-	-	-	-
Share Application Money outstanding Lavasa Corporation Limited	(0.00)	(0.00)	-	-	-	-
Project and Other Services Received Lavasa Corporation Limited	117.73	311.63	-	-	-	-
Reasonable Housing Limited	-	-	0.13	-	-	-
Steiner India Limited	-	-	-	-	0.02	-
Ecomotel Hotel Limited	-	-	-	-	0.10	0.34
Included in Trade Payables Lavasa Corporation Limited	2,032.37	1,752.01	-	-	-	-
Reasonable Housing Limited	-	-	0.50	0.33	-	-
Sahyadri City Management Limited	-	-	0.09	0.09	-	-
Warasgaon Power Supply Limited	-	-	0.21	0.21	-	-
Whistling Thrush Facilities Services Limited	-	-	-	-	21.74	21.74
Steiner India Limited	-	-	-	-	82.20	389.76
Ecomotel Hotel Limited	-	-	-	-	0.00	0.34
Equity Share Capital Outstanding at face value Lavasa Corporation Limited	671.84	598.00	-	-	-	-
Convertible Preference Share Capital Outstanding at face value Lavasa Corporation Limited	0.63	0.47	-	-	-	-

2.26 Earnings Per Share:

Particulars	(₹ In Lakhs)	
	31st March 2017	31st March 2016
Profit/(Loss) after taxation as per statement of profit and loss (₹ in Lakhs)	(6,244.49)	(5,640.75)
Less: Preference Dividend on cumulative preference shares incl distribution tax	-	-
Net Profit / (Loss) after preference dividend	(6,244.49)	(5,640.75)
Weighted Average number of Equity Shares (for Basic EPS)	6,215,039	1,607,907
Earning Per Share (Basic) (in Rupees)	(100.47)	(350.81)
Weighted Average number of Equity Shares (for Diluted EPS)	6,215,039	1,607,907
Earning Per Share (Diluted) (in Rupees)	(100.47)	(350.81)



2.27 Financial Instruments By Category

The carrying value and the fair value of financial instruments by each category as at March 31, 2017 :

Particulars	(₹ In lakhs)				
	Financial assets / liabilities at amortized costs	Financial assets / liabilities at FVTPL	Financial assets / liabilities at FVTOCI	Total carrying value	Total fair Value
Assets					
Cash and Cash Equivalents and other bank balances	28.78	-	-	28.78	28.78
Loans	62,003.27	-	-	62,003.27	62,003.27
Liabilities					
Borrowings from Banks	87,183.95	-	-	87,183.95	87,183.95
Borrowings from Financial Institutions/NBFCs	23,942.37	-	-	23,942.37	23,942.37
Borrowings from others	2,380.48	-	-	2,380.48	2,380.48
Trade Payables	2,325.76	-	-	2,325.76	2,325.76
Other Financial Liabilities	2,263.83	-	-	2,263.83	2,263.83

The carrying value and the fair value of financial instruments by each category as at March 31, 2016:

Particulars	(₹ In lacs)				
	Financial assets / liabilities at amortized costs	Financial assets / liabilities at FVTPL	Financial assets / liabilities at FVTOCI	Total carrying value	Total fair Value
Assets					
Cash and Cash Equivalents and other bank balances	4.41	-	-	4.41	4.41
Loans	30,886.47	-	-	30,886.47	30,886.47
Liabilities					
Borrowings from Banks	31,312.37	-	-	31,312.37	31,312.37
Borrowings from Financial Institutions/NBFCs	6,600.00	-	-	6,600.00	6,600.00
Borrowings from others	2,068.18	-	-	2,068.18	2,068.18
Trade Payables	2,173.43	-	-	2,173.43	2,173.43
Other Financial Liabilities	467.98	-	-	467.98	467.98

2.28 Interest Income / (Expenses), Gains / (Losses) recognized on financial assets and liabilities

Particulars	(₹ In lakhs)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Financial Assets at amortized cost		
Interest income on other financial assets	6,270.26	2,519.70
Financial Liabilities at Amortised Cost		
Interest expenses on borrowings, overdrafts and Intercompany deposit	9,555.94	6,942.83
Total	15,826.19	9,462.53

2.29 Exposure to credit risk

The Gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2017 and 2016 was as follows:

Particulars	(₹ in lakhs)	
	As at March 31, 2017	As at March 31, 2016
Cash and Cash Equivalents and other bank balances	28.78	4.41
Other Financial Assets-Loans	62,003.27	30,886.47
Total	62,032.05	30,890.88

2.30 Financial assets that are past due but not impaired:

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The aging of trade receivables, net of allowances, that are past due, is given below

Period (in days)	(₹ In lakhs)	
	As at March 31, 2017	As at March 31, 2016
0-30 days	-	-
31 days -1 Year Past days	-	-
1 Year- 2 Year Past dues	-	-
2 Years - 3 Years Past dues	-	-
More than 3 Years Past dues	-	-

Financial assets that are neither past due nor impaired

Particulars	(₹ In lakhs)	
	As at March 31, 2017	As at March 31, 2016
Cash and Cash Equivalents and other bank balances	28.78	4.41
Other financial assets - Loans	62,003.27	30,886.47
Total	62,032.05	30,890.88



2.31 Liquidity Risks

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach for managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturity Analysis of financial instruments

As At March 31, 2017

Particulars	Carrying amount	Contractual Cash flow				
		0-12 Months	1-3 years	3-5 years	Above 5 years	Total
Borrowings from Banks	87,183.95	13,648.49	24,357.50	27,800.71	151,612.23	217,418.93
Borrowings from Financial Institutions/NBFCs	23,942.37	2,686.77	4,985.72	5,717.68	31,511.16	44,901.34
Borrowings from others	2,380.48	-	-	-	2,380.48	2,380.48
Trade payables	2,325.76	2,325.76	-	-	-	2,325.76
Other Financial Liabilities	2,263.83	2,263.83	-	-	-	2,263.83
Total	118,096.40	20,924.86	29,343.22	33,518.39	185,503.87	269,290.34

As At March 31, 2016

Particulars	Carrying amount	Contractual Cash flow				
		0-12 Months	1-3 years	3-5 years	Above 5 years	Total
Borrowings from Banks	31,312.37	4,297.27	8,075.21	9,302.41	56,956.62	78,631.51
Borrowings from Financial Institutions/NBFCs	6,600.00	828.12	1,629.79	1,828.12	11,762.52	16,048.55
Borrowings from others	2,068.18	-	-	-	2,068.18	2,068.18
Trade payables	2,173.43	2,173.43	-	-	-	2,173.43
Other Financial Liabilities	467.98	467.98	-	-	-	467.98
Total	42,621.95	7,766.80	9,705.00	11,130.52	70,787.32	99,389.64

2.32 Interest Rate Risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company. The interest rate profile of the company's interest bearing financial instruments were as follows:

Particulars	Carrying amount	
	As at March 31, 2017	As at March 31, 2016
Fixed rate instruments		
Financial liabilities		
- Borrowings from others	2,380.48	2,068.18
Variable rate instruments		
Financial liabilities		
- Borrowings from Banks	87,183.95	31,312.37
- Borrowings from Financial Institutions/NBFCs	23,942.37	6,600.00

Fair value sensitivity for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit and loss.

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased/ decreased equity and profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis for 2016.

Year ended	Profit or (Loss)	
	Equity	Profit or (Loss)
March 31, 2017	-	(92.60)
March 31, 2016	-	(56.69)

2.33 A) Reconciliation of Equity as at April 1, 2015

Particulars	(₹ In lakhs)
Total Equity (Shareholders' Fund) under previous GAAP	(1,772.19)
Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost	(24,999.52)
Adjustments due to adoption of "Financials Assets Model" by company under service concession arrangement	(13,545.77)
Total Equity (Shareholders' Fund) under IND AS	(40,317.48)



B) Reconciliation of Equity as at March 31, 2016

Particulars	(₹ In lakhs)
Total Equity (Shareholders' Fund) under previous GAAP	55,000.66
Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost	(16,765.75)
Adjustments due to adoption of "Financials Assets Model" by company under service concession arrangement	(18,343.91)
Deferred Tax Liabilities	-
Total Equity (Shareholders' Fund) under IND AS	19,891.01

2.34 Profit Reconciliation

Reconciliation of Net Profit as previously reported on account of transition from the Previous Indian GAAP to IND AS for the year ended March 31, 2016

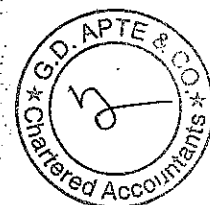
Particulars	(₹ In lakhs)
Net Profit/ (Loss) for the period under Previous Indian GAAP	(1,574.66)
Add/ (Less):	
Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost	(4,066.08)
Reclassification of net actuarial gain on defined employee benefit obligation to Other Comprehensive Income	1.60
Deferred Tax on above adjustments (Net)	
Net Profit/ (Loss) for the period under IND AS	(5,639.14)

2.35 Reconciliation of material items of Statement of Cashflows for the year ended March 31, 2016 as per IND AS with Previous GAAP As at March 31, 2016

Particulars	(₹ In lakhs)		
	As per IND AS	As per perviousn GAAP	Increase/ (Decrease)
Cash generated from operations	(40,863.45)	(48,431.82)	7,568.37
Net cash used in investing activities	-	(5,026.23)	5,026.23
Net cash used in financing activities	40,850.72	53,445.31	(12,594.59)
Cash and cash equivalents at the beginning of the year	17.15	17.15	-
Cash and cash equivalents at the end of the year	4.41	4.41	-

2.36 Reconciliation of material items of Balance Sheet as per IND AS with Previous GAAP As at April 1, 2015

Particulars	(₹ In lakhs)		
	As per IND AS	As per perviousn GAAP	Increase/ (Decrease)
Assets			
Property, Plant and Equipment	0.50	0.50	-
Intangible assets	-	2,482.60	(2,482.60)
Intangible Assets under development	-	18,183.49	(18,183.49)
Loans	17,592.06	61,812.52	(44,220.46)
Other Non Current Assets	1,485.68	-	1,485.68
Inventories	7,120.41	0.09	7,120.33
Cash and cash equivalents	17.15	17.15	-
Loans	-	-	-
Current tax assets (net)	18.99	-	18.99
Other current assets	614.35	384.96	229.39
Liabilities			
Equity Share Capital	15.00	15.00	-
Other Equity	(40,332.48)	(1,787.19)	(38,545.29)
Borrowings	60,529.00	78,016.08	(17,487.08)
Other Long term liabilities	-	200.13	(200.13)
Provisions	16.39	16.39	-
Deferred tax liabilities (net)	-	-	-
Trade payables	5,325.44	5,366.67	(41.23)
Other financial liabilities	533.91	-	533.91
Other current liabilities	753.24	1,045.58	(292.34)
Provisions	8.65	8.65	-



Reconciliation of material items of Balance Sheet as per IND AS with Previous GAAP As at March 31, 2016

(₹ In lakhs)			
Particulars	As per IND AS	As per previous GAAP	Increase/ (Decrease)
Assets			
Property, Plant and Equipment	0.43	0.43	-
Intangible assets	-	2,447.42	(2,447.42)
Intangible Assets under development	-	23,209.72	(23,209.72)
Loans	30,886.47	98,679.92	(67,793.45)
Other Non Current Assets	19,697.44	-	19,697.44
Inventories	7,313.29	0.06	7,313.23
Cash and cash equivalents	4.41	4.41	-
Loans	-	-	-
Current tax assets (net)	18.99	-	18.99
Other current assets	5,300.21	474.66	4,825.55
Liabilities			
Equity Share Capital	598.00	598.48	(0.47)
Other Equity	19,293.00	54,402.19	(35,109.19)
Borrowings	39,980.55	66,466.45	(26,485.90)
Other Long term liabilities	-	181.52	(181.52)
Provisions	12.19	12.19	-
Deferred tax liabilities (net)	-	-	-
Trade payables	2,173.43	2,225.68	(52.26)
Other financial liabilities	467.98	-	467.98
Other current liabilities	688.90	922.92	(234.01)
Provisions	7.19	7.19	-

2.37 a) The tax effect of significant temporary differences that resulted in deferred tax assets and a description of the items that created these differences is given below :

b) Movement in temporary differences during current and previous year

(₹ In lakhs)					
Particulars	Fair Valuation of Inter Corporate Deposit	Fair Valuation of Financial Guarantee	Fair Valuation of Performance security Deposit	Liability u/s 43B	Plant, Property & Equipment
Balance as at April 1, 2015	(5,403.51)	(535.76)	5,723.99	7.80	207.48
Recognised in income statement	-	-	9,830.84	(2.77)	(51.87)
Recognised in OCI	-	-	-	0.50	-
Recognised in Equity	(2,790.40)	(6,986.29)	-	-	-
Balance as at March 31, 2016	(8,193.90)	(7,522.05)	15,554.82	5.53	155.61
Recognised in income statement	-	-	5.44	(0.49)	(38.90)
Recognised in OCI	-	-	-	(0.45)	-
Recognised in Equity	91.59	(57.19)	-	-	-
Balance as at March 31, 2017	(8,102.31)	(7,579.24)	15,560.26	4.59	116.70

c) Unrecognized deferred tax asset

(₹ In lakhs)			
Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Deductible temporary differences	10,181.18	11,354.36	11,679.23
Unrecognized tax losses	7,027.26	3,927.64	3,406.19
Total	17,208.44	15,282.00	15,085.42

Considering the probability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognized in respect of tax losses carried forward by the Company. Of the above, some tax losses expire at various dates.

(₹ In lakhs)		
Income Tax Expenses recognised in P&L	As at 31st March 2017	As at 31st March 2016
Current tax expenses /(Reversal)	-	-
Deferred Tax expense	-	-
Origination and reversal of Temporary difference	40.97	54.15
Reversal of previously recognised losses/ temporary differences	(40.97)	(54.15)
	-	-



e) Reconciliation of effective tax rates

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

Particulars	₹ in lakhs)	
	As at 31st March 2017	As at 31st March 2016
Profit Before Tax	(6,245.94)	(5,639.14)
Enacted tax rates in India	30.90%	30.90%
Expected Tax Expense/ (Benefit)	(1,929.99)	(1,742.50)
Effect of:		
Other expenses not deductible for tax purposes	3.55	3.35
Unrecognised deferred tax assets / liabilities on temporary differences	1,926.45	196.58
Expenses/ Income not taxable	-	-
Recognition of previously unrecognized tax losses	-	-
Difference due to IND AS Impact & true up of ROI	-	1,542.56
	0.00	0.00

2.38 Employee Benefits

A Defined Benefit Plans / Long Term Compensated Absences – As per Actuarial Valuation on March 31, 2017

Particulars	₹ In Lakhs)			
	Gratuity		Leave Encashment & Sick	
	Unfunded		Unfunded	
	31st March 2017	31st March 2016	31st March 2017	31st March 2016
Change in benefit obligations				
Defined Benefit Obligation at beginning of the period	10.04	10.59	9.34	14.45
Current Service Cost	1.73	2.70	2.28	4.48
Interest Expenses	0.67	0.61	0.66	0.87
Curtailment gain				
Transfer of obligation				
Benefits paid	(3.41)	(5.46)	(2.13)	(6.54)
Remeasurements - Actuarial (Gains) / Losses	(1.45)	1.60	(4.35)	(3.92)
Defined Benefit Obligation at the end of the period	7.58	10.04	5.81	9.34
Recognised in the statement of profit and loss under employee benefit expenses				
Current Service Cost	1.73	2.70	2.28	4.48
Net Interest on the net defined benefit liability / asset	0.67	0.61	0.66	0.87
Curtailment gain	-	-	-	-
Net periodic benefit cost recognised in the statement of profit & loss at the	2.40	3.31	2.94	5.35
Remeasurements of the net defined benefit liability / (asset)				
Actuarial (gains) / losses	(1.45)	1.60	(4.35)	(3.92)
(Return) / loss on plan assets excluding amounts included in the net interest on				
	(1.45)	1.60	(4.35)	(3.92)
Actuarial Assumptions:				
Discount Rate	7.70%	8.00%	7.70%	8.00%
Rate of increase of compensation levels	7.50%	7.50%	7.50%	7.50%
Expected average remaining working lives of employees	11.40 Years	11.86 Years	11.40 Years	11.86 Years
Mortality Table	IALM (2006-08) (ultimate)	IALM (2006-08) (ultimate)	IALM (2006-08) (ultimate)	IALM (2006-08) (ultimate)
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.				
The attrition rate varies from 2% to 8% (previous year 2% to 8%) for various age groups.				

Remeasurement of the net defined benefit liability recognised in other comprehensive income

Particulars	₹ In Lakhs)	
	March 31, 2017	March 31, 2016
Amount recognised in other comprehensive income for the year ending March 31, 2017 and March 31, 2016		
Remeasurement (gain)/loss arising from		
- Change in demographic assumptions		
- Change in financial assumptions	0.21	(0.18)
- Experience variance	(1.66)	1.79
- Return on plan assets, excluding amount recognised in net interest expense / income		
	(1.45)	1.60

Sensitivity Analysis of significant actuarial assumption

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

	₹ In Lakhs)			
	March 31, 2017		March 31, 2016	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	8.35	6.92	11.02	9.21
(% change compared to base due to sensitivity)	10.10%	-8.70%	9.69%	-8.34%
Salary Growth Rate (-/+1%)	6.97545	8.27534	9.27	10.92
(% change compared to base due to sensitivity)	-8.04%	9.10%	-7.70%	8.75%
Withdrawal Rate (-/+1%)	7.57	7.59	10.01	10.08
(% change compared to base due to sensitivity)	-0.15%	0.13%	-0.36%	0.33%



Notes to and forming part of the financial statements as at and for the year ended 31st March 2017

b Defined Contribution Plans-

Accounts recognized as an expense and included in the note no. 2.21 contribution to Provident and other funds of Profit and Loss accounts ₹ 3.99 Lakhs (Previous Year ₹ 9.04 Lakhs)

2.39 Particulars of unhedged foreign currency exposure as at balance sheet date - Rupees Nil (Previous year Rupees Nil)

2.40 Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006.

As per requirement of Section 22 Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed:

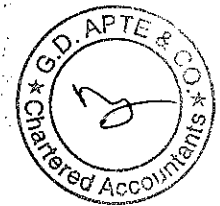
Particulars	As at March 31, 2017	As at March 31, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
(ii) Interest due on (i) above remaining unpaid	Nil	Nil
(iii) Amounts paid beyond the appointed day during the accounting year	Nil	Nil
(iv) Interest paid on (iii) above	Nil	Nil
(v) Interest due and payable on (iii) above	Nil	Nil
(vi) Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vii) Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961	Nil	Nil
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.		

2.41 Details of Foreign Currency Expenditure

Particulars	₹ In Lakhs)	
	As at March 31, 2017	As at March 31, 2016
NA	Nil	Nil

2.42 The company has entered into a service concession agreement with Lavasa Corporation Limited (LCL) According to the agreement, the company has been granted exclusive right to design, develop, operate and maintain infrastructure facilities in LAVASA hill station township in consideration of annuity of Rs. 14,768.35 crores by the company from year 2018 to 2041 and usage charges from the resident/users. The arrangement provides that the infrastructure facilities shall vest in and be handed over to LCL upon the expiry of the concession period. The company/ LCL shall be entitled to terminate the said arrangement upon occurrence of certain events of defaults as specified in the agreement. The company has not recognised any revenue in terms of the 'Service Concession Agreement' since no significant work /services have commenced till March 31, 2017. Pending this, the costs incurred have been depicted as 'Construction WIP'. Revenue recognition shall be commenced once there is a reasonable development and certainty in the work /services rendered, in terms of the applicable accounting framework. The company has classified the said arrangement as a 'financial asset' as per Appendix A of IND AS 11 'Construction Contracts.'

2.43 Company has not made provision for cumulative dividend payable excluding dividend distribution tax, towards 0.001% cumulative redeemable preference shares amounting to ₹ 1.00 (previous year ₹ 1.00), in absence of distributable profits.



Notes to and forming part of the financial statements as at and for the year ended 31st March 2017

2.44 Disclosures as per Notification GSR 308(E) dated March 30, 2017 of Ministry of Corporate Affairs in respect of details of Specified bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016:

(Amount in ₹)

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	2,570.00	2,570.00
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	2,570.00	2,570.00

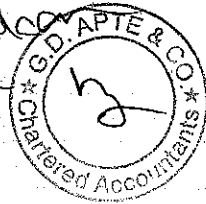
2.45 Previous year's figures have been regrouped/recasted where necessary.

As per our attached Report of even date

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W

U. S. Abhyankar
Partner
Membership No. 113053

Place : Mumbai
Date : April 17, 2017



For and on behalf of the Board of Directors

Harshad Bhatt
Director
DIN.No.07520677

Hamshire Rodriguez
Director
DIN.No.06538992

Place : Mumbai
Date : April 17, 2017

David Amraj
Director
DIN.No.07533257

Amruta Bam
Director
DIN.No.07136342