

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARSS BUS TERMINAL PRIVATE LIMITED

Report on the Standalone Indian Accounting Standards (Ind As) Financial Statements

1. We have audited the accompanying Standalone Financial Statements of ARSS BUS TERMINAL PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information (together referred to as "Standalone Indian Accounting Standards (Ind As) Financial Statements"), which we have signed under reference to this report.

Management's Responsibility for Standalone Indian Accounting Standards (Ind As) Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Indian Accounting Standards (Ind As) Financial Statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Indian Accounting Standards (Ind As) Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Standalone Indian Accounting Standards (Ind As) Financial Statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Indian Accounting Standards (Ind AS) Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Indian Accounting Standards (Ind AS) Financial Statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Indian Accounting Standards (Ind As) Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Indian Accounting Standards (Ind As) 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 standalone Indian Accounting Standards (Ind As) 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 standalone Indian Accounting Standards (Ind As) Financial Statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Indian Accounting Standards (Ind As) Financial Statements

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Indian Accounting Standards (Ind As) Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss (including other comprehensive income), its cash flows and the changes in equity for the period ended on that date.

Other Matters

9. 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 prepared in accordance with Ind AS included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us on which we have expressed an unmodified opinion dated May 17, 2016 and May 29, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us, on which we have expressed an unmodified opinion vide our report dated, May 20, 2017.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements


10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.



11. 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 (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act
- e. on the basis of written representations received from the directors as on March 31, 2017, and 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 A.
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and accordingly to the explanations give to us :
 - i. the Company does not have any pending litigations as at March 31, 2017 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 provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer note 6.

For SUREKA ASSOCIATES
Chartered Accountants
Firm Registration No. 110640W


Suresh Sureka
Partner
Membership No. 34132

Place: Mumbai
Date: 20th May, 2017



ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of ARSS Bus Terminal Private Limited on the financial statements as of and for the year ended March 31, 2017

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

1. We have audited the internal financial controls over financial reporting of ARSS Bus Terminal Private 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

2. 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 Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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.
5. 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

6. 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.

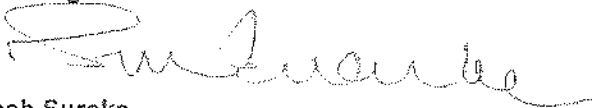
Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

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

For and on behalf of
SUREKA ASSOCIATES
Chartered Accountants
Firm's Registration No. 110640W



Suresh Sureka
Partner
Membership No. 34132

Place : Mumbai
Date : 20th May, 2017



ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of ARSS Bus Terminal Private Limited on the financial statements as of and for the year ended March 31, 2017


- i. The Company does not have any fixed assets. Hence the question of records and physical verification thereof does not arise.
- ii. The Company does not have any inventory. Hence, the question of verification thereof does not arise.
- iii. 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. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its business.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and service tax, and is regular in depositing undisputed statutory dues, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company does not have any borrowings from banks or financial institutions or has not issued any debentures. Hence the question of any default does not arise.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of term loans nor by way of initial public offer.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has not paid nor provided for any managerial remuneration during the year.



- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required the applicable Accounting Standard.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For and on behalf of
SUREKA ASSOCIATES
Chartered Accountants
Firm's Registration No. 110640W



Suresh Sureka
Partner
Membership No. 34132

Place : Mumbai
Date : 20th May, 2017



Balance Sheet as at March 31, 2017

(Rs. In lacs)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
ASSETS				
1. Non-current assets				
(a) Capital work-in-progress	4	659.97	659.97	2,532.06
(b) Financial assets				
(i) Investments	5	1,150.00	1,150.00	-
		<u>1,809.97</u>	<u>1,809.97</u>	<u>2,532.06</u>
2. Current assets				
(a) Financial assets				
(i) Cash and cash equivalents	6	1.54	1.69	-
(ii) Bank balances other than (i) above	7	42.03	42.03	42.03
(b) Other current assets	8	-	0.22	0.20
		<u>43.57</u>	<u>43.94</u>	<u>42.23</u>
Total assets		<u><u>1,853.54</u></u>	<u><u>1,853.91</u></u>	<u><u>2,574.29</u></u>
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	1,862.75	1,862.75	1,862.75
Other equity	9	(18.19)	(12.98)	(11.16)
		<u>1,844.56</u>	<u>1,849.77</u>	<u>1,851.59</u>
LIABILITIES				
1. Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
2. Current liabilities				
(a) Financial liabilities				
(i) Borrowings	10	6.29	3.07	48.06
(ii) Other financial liabilities	11	2.19	0.71	530.13
(b) Other current liabilities	12	0.50	0.36	144.51
		<u>8.98</u>	<u>4.14</u>	<u>722.70</u>
Total equity and liabilities		<u><u>1,853.54</u></u>	<u><u>1,853.91</u></u>	<u><u>2,574.29</u></u>

Notes forming part of the financial statements (Refer note 1 to 27)

As per our report of even date attached.

FOR SUREKA ASSOCIATES

Chartered Accountants

FRN : 110640W

Suresh Sureka

Partner

Membership No: 34132

Place: Mumbai

Date: 20 MAY 2017



For and on behalf of the Board of Directors

Sandeep Gang
Director

DIN : 00036419

Vinoo Sanjay

Whole Time Director & CFO

DIN : 07470339

Indu Daryani
Company Secretary

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

(Rs. In lacs)

	Note	Year ended 31 March 2017	Year ended 31 March 2016
I. Revenue from operations		-	-
II. Finance income		-	-
III. Other income	13	-	0.17
IV. Total income (I+II+III)		-	0.17
V. Expenses			
Employee benefit expenses	14	2.10	-
Finance costs	15	0.01	0.00
Other expenses	16	3.08	2.00
Total expenses (V)		5.19	2.00
VI. Profit before tax (IV - V)		(5.19)	(1.83)
VII. Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
VIII. Profit for the year (VI -VII)		(5.19)	(1.83)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss)		-	-
Tax relating to above		-	-
IX. OCI for the year		-	-
X. Total comprehensive income for the year (VIII-IX)		(5.19)	(1.83)
Earnings per share (Face value Rs 10 each)	22		
Basic EPS (in Rs)		(0.03)	(0.01)
Diluted EPS (in Rs)		(0.03)	(0.01)

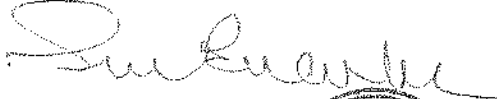
Notes forming part of the financial statements (Refer note 1 to 27)

As per our report of even date attached.

FOR SUREKA ASSOCIATES

Chartered Accountants

FRN : 110640W



Suresh Sureka

Partner

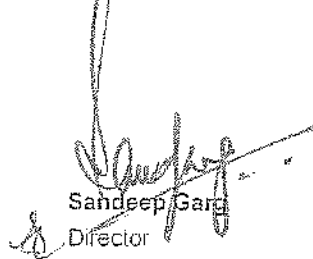
Membership No: 34132



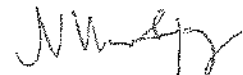
Place: Mumbai

Date: 20 MAY 2017

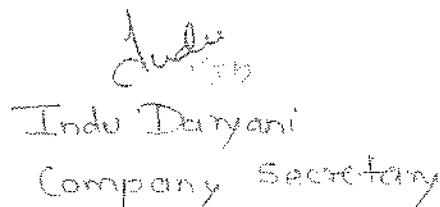
For and on behalf of the Board of Directors


Sandeep Garg
Director

DIN : 00036419


Vinoo Sanjay
Whole Time Director & CFO

DIN : 07470339



Indu Daryani

Company Secretary

Statement of Cash Flow for the year ended 31 March 2017

(Rs. In lacs)

	March 31, 2017	March 31, 2016
Cash flows from operating activities		
Net Profit before tax and exceptional items	(5.19)	(1.83)
Decrease/ (Increase) in Short term loans (Decrease)/ Increase in Current Liability	0.21 4.83	(0.02) (718.55)
Cash Generated/ (used) from/ in Operation Tax Paid (net)	(0.16) -	(720.40) -
Net cash flow from/ (used in) operating activities (A)	(0.16)	(720.40)
Cash flows from investing activities		
Decrease/(Increase) in Capital Work In Progress (CWIP) Long Term Investment	- -	1,872.10 (1,150.00)
Net cash flow from/ (used in) investing activities (B)	-	722.10
Cash flows from financing activities		
Proceeds from Share Application (net of refund)	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(0.16)	1.70
Cash and cash equivalents at the beginning of the year	43.73	42.03
Cash and cash equivalents at the end of the year	43.57	43.73
Components of cash and cash equivalents		
With banks- on current account *	43.57	43.73
Total cash and cash equivalents	43.57	43.73

* As on date, Bank Account (State Bank of India amounting to Rs 42.01 lacs) of the Company is frozen and hence the aforesaid bank balance classified as restricted bank balance.

Notes forming part of the financial statements (Refer note 1 to 27)

As per our report of even date attached.

FOR SUREKA ASSOCIATES

Chartered Accountants

FRN : 110640W

Suresh Sureka

Partner

Membership No: 34132

Place: Mumbai

Date: 20 MAY 2017



For and on behalf of the Board of Directors

Sandeep Garg
Director

DIN : 00036419

Vinoo Sanjay

Whole Time Director & CFO

DIN : 07470339



Indu Danyani
Company Secretary

Statement of changes in equity for the year ended March 31, 2017

A. Equity share capital

(Rs. In lacs)

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	Amount	No. of Shares	Amount
Opening Balance	18,627,511	1,862.75	18,627,511	1,862.75
Changes in equity share capital during the year	-	-	-	-
Closing Balance	18,627,511	1,862.75	18,627,511	1,862.75

B. Other equity

Particulars	(Rs. In lacs)		
	Reserve and Surplus		TOTAL OTHER EQUITY
	Retained earnings	Total Reserve and Surplus	
As at 01 April 2015	(11.16)	(11.16)	(11.16)
Profit/ (loss) for the year	(1.83)	(1.83)	(1.83)
Other comprehensive income	-	-	-
Total comprehensive income for the year	(1.83)	(1.83)	(1.83)
As at 31 March 2016	(12.99)	(12.99)	(12.98)
Profit/ (loss) for the year	(5.19)	(5.19)	(5.19)
Other comprehensive income	-	-	-
Total comprehensive income for the year	(5.19)	(5.19)	(5.19)
As at 31 March 2017	(18.18)	(18.18)	(18.18)

Notes forming part of the financial statements (Refer note 1 to 27)

As per our report of even date attached.

FOR SUREKA ASSOCIATES

Chartered Accountants

FRN : 110640W

Suresh Sureka

Partner

Membership No: 34132

Place: Mumbai

Date: 20 MAY 2017



For and on behalf of the Board of Directors

Sandeep Garg
Director

DIN : 00036419

Vinoo Sanjay
Whole Time Director & CFO

DIN : 07470339



Indu
Indu Danyani
Company Secretary

Notes forming part of the financial statements

1 Corporate information

ARSS Bus Terminal Private Limited ('ABTPL' or 'the Company') is a wholly owned subsidiary company of Welspun Enterprises Limited. The Company is engaged into infrastructure development.

The separate financial statements (hereinafter referred to as "Financial Statements") of the Company for the financial year 2016-17 were authorised for issue in accordance with a resolution of board of directors on 20 May 2017.

2 Basis of preparation of financial statements

The financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounting Standards) Rules, 2014. These financial statements for the year ended 31 March 2017 are the first financial statements of the Company prepared in accordance with Ind-AS. Refer note 17 for information on how Company adopted Ind-AS.

The financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities which have been measured at fair value (Refer accounting policy regarding financial instruments).

The financial statements are presented in INR, except when otherwise indicated.

3 Significant accounting policies

i) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current.

The company has identified 12 months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

ii) Revenue Recognition

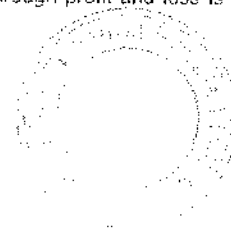
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.

a) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Value Added Tax (VAT) and Central Sales Tax (CST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are

b) Interest income

For all debt instruments measured at amortized cost and interest bearing financial assets classified as fair value through other comprehensive income, interest income is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in 'finance income' in the statement of profit and loss. Interest income on interest bearing financial assets classified as fair value through profit and loss is shown



c) Dividend income

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

iii) Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

iv) Property, Plant and Equipment

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its previous GAAP financial statements as deemed cost at the transition date,

Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance

v) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows

Impairment losses are recognised in the statement of profit and loss.

vi) Taxes on income

a) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current taxes are recognized in profit or loss except to the extent that the tax relates to items recognized in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes

b) Deferred tax

Deferred income tax is recognized on all temporary differences which are the differences between the carrying amount of an asset or liability in the statement of financial position and its tax base except when the deferred income tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax liabilities are recognized for all taxable temporary differences; and deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.



Notes forming part of the financial statements

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and based on the tax consequence which will follow from the manner in which the Company expects, at financial year end, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to item recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or

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

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognized as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

vii) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

viii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

ix) Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, 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 to the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

b) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. Contingent assets are disclosed if the inflow of economic benefits is probable.



Notes forming part of the financial statements

B. Derecognition of financial assets

A financial asset is derecognised only when

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in

C. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- i) Financial assets measured at amortised cost
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to

- i) the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve after the reporting date) or
- ii) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows 'simplified approach' for impairment loss allowance on trade receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition, if credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on twelve months ECL.

D. Financial liabilities

a) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities measured at amortised cost
- ii) Financial liabilities measured at FVTPL (fair value through profit or loss)

i) Financial liabilities measured at amortised cost

After initial recognition, financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

ii) Financial liabilities measured at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the statement of profit and loss.



Notes forming part of the financial statements

xi) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

a) Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for financial assets classified as fair value through profit or loss.

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 recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments measured at amortised cost
- ii) Debt instruments measured at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments measured at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at FVTOCI or FVTPL

Debt instruments

The subsequent measurement of debt instruments depends on their classification. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

i) Debt instruments measured at amortised cost

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

ii) Debt instruments measured at FVTOCI

Debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payment of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in the OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

iii) Debt instruments measured at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and Loss.



Notes forming part of the financial statements

4 Capital work-in-progress

(Rs. in lacs)

	Capital work-in-progress
Gross carrying amount (cost)	
As at 01 April 2015	2,532.06
Additions	-
Disposals	1,872.09
Transfer to assets held for sale	-
As at 31 March 2016	659.97
Additions	
Disposals	
Transfer to assets held for sale	
As at 31 March 2017	659.97
As at 31 March 2017	659.97
As at 31 March 2016	659.97
As at 01 April 2015	2,532.06



ARSS Bus Terminal Private Limited

Notes forming part of the financial statements

Financial assets

5 Non-current investments

(Rs. In lacs)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Unquoted - Trade			
Investment in Fellow Subsidiaries- Carrying Value			
MSK Projects (Kim Mandvi Corridor) Private Limited	1,150.00	1,150.00	-
1,150,000 (31 March 2016 : 1,150,000, 1 April 2015 : Nil)			
0% unsecured compulsorily convertible debentures of Rs 100 each fully paid.			
(Each debenture shall be compulsorily convertible into 10 equity Shares of Rs. 10 each of the Company at the end of the 5 years from the date of allotment.)			
Total	1,150.00	1,150.00	-
Aggregate value of unquoted investments	1,150.00	1,150.00	

6 Cash and cash equivalents

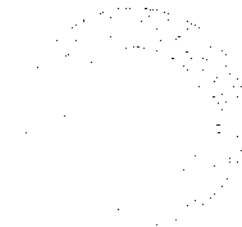
(Rs. In lacs)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Balances with banks			
- In current accounts	1.54	1.69	-
- Deposit Accounts having original maturity of less than three months	-	-	-
Total	1.54	1.69	-

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(Rs. In lacs)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Balances with banks			
- In current accounts	1.54	1.69	-
- In current accounts - Restricted bank account	42.03	42.03	42.03
Total	43.57	43.73	42.03



ARSS Bus Terminal Private Limited

Notes forming part of the financial statements

Financial assets

The details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 as provided in the Table below:-

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's*	denomination notes	Total
Closing cash in hand as on November 8, 2016	NIL	NIL	NIL
Add: Permitted receipts	NIL	NIL	NIL
Less: Permitted payments	NIL	NIL	NIL
Less: Amount deposited in Banks	NIL	NIL	NIL
Closing balance as at December 30, 2016	-	-	-

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

7 Other bank balances

(Rs. In lacs)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Balances with banks			
-Restricted bank balance *	42.03	42.03	42.03
Total	42.03	42.03	42.03

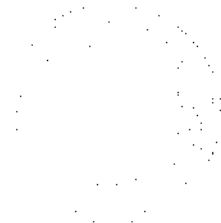
Note:

* As on date, Bank Account (State Bank of India amounting to Rs 42.02 lacs 31 March 2017, Rs 42.03 lacs 31 March 2016 and Rs 42.03 lacs 01 April 2015) of the Company is frozen and hence the aforesaid bank balance classified as restricted bank balance.

8 Other current assets

(Rs. In lacs)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Balance with Government authorities			
- Indirect tax	-	0.22	-
Other advances	-	-	0.20
Total	-	0.22	0.20



Notes forming part of the financial statements

9 Share capital and other equity

9(a) - Equity share capital

Particulars	(Rs. In lacs)		
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Authorised share capital 20,000,000 (20,000,000 31 March 2016 ; 20,000,000 01 April 2015) Equity Shares of Rs.10 each fully paid up	2,000.00	2,000.00	2,000.00
Issued, subscribed and paid up 18,627,451 (18,627,451 31 March 2016 ; 18,627,451 01 April 2015) Equity Shares of Rs.10 each fully paid up	1,862.75	1,862.75	1,862.75
	1,862.75	1,862.75	1,862.75

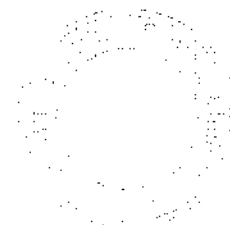
Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holder of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(i) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the last five years immediately preceding the reporting date

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Equity shares allotted as fully paid up for consideration other than cash	Nil	Nil	Nil
Equity shares allotted as fully paid up bonus share	Nil	Nil	Nil
Equity shares bought back	Nil	Nil	Nil



9 Share capital and other equity

(ii) Shares held by holding/ ultimate holding companies and / or their subsidiaries/ associates

Particulars	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
Welspun Enterprises Limited	18,627,511	100%	18,627,511	100%	18,627,511	100%

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	% Holding	Number of shares	% Holding
Welspun Enterprises Limited	18,627,511	100%	18,627,511	100%

(iv) Reconciliation of the number of shares outstanding and the amount of the share capital

(Rs. In lacs)

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount	Number of shares	Amount
Number of shares at the beginning of the period	18,627,511	1,862.75	18,627,511	1,862.75
Add: Shares issued during the year	-	-	-	-
Number of shares at the end of the period	18,627,511	1,862.75	18,627,511	1,862.75

9(b) - Reserves and surplus

(Rs. In lacs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
	Retained earnings	(18.18)	(12.99)
Total	(18.18)	(12.99)	(11.16)

(i) Retained earnings

(Rs. In lacs)

Particulars	As at 31 March 2017	As at 31 March 2016
	Opening balance	(12.99)
Total Comprehensive Income for the year	(5.19)	(1.83)
Transferred	-	-
Closing balance	(18.18)	(12.99)



Notes forming part of the financial statements

10 Current financial liabilities - borrowings

(Rs. In lacs)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Loans repayable on demand - From related parties	6.29	3.07	48.08
Total	6.29	3.07	48.08

11 Current financial liabilities - others

(Rs. In lacs)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Share application money pending allotment	-	-	524.04
Creditors for expenses	2.19	0.71	6.08
Total	2.19	0.71	530.13

12 Other current liabilities

(Amount in Rs.)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Payable to other parties	-	-	144.51
Statutory dues payable	0.50	0.36	-
Total	0.50	0.36	144.51



Notes forming part of the financial statements

13 Other income

	(Rs. In lacs)	
	Year ended 31 March 2017	Year ended 31 March 2016
Miscellaneous income	-	0.17
Total	-	0.17

14 Employee benefit expenses

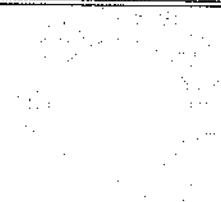
	(Rs. In lacs)	
	Year ended 31 March 2017	Year ended 31 March 2016
Salaries, wages and bonus	2.10	-
Total	2.10	-

15 Finance costs

	(Rs. In lacs)	
	Year ended 31 March 2017	Year ended 31 March 2016
Bank charges and other finance costs	0.01	0.00
Total	0.01	0.00

16 Other expenses

	(Rs. In lacs)	
	Year ended 31 March 2017	Year ended 31 March 2016
Rates and taxes	0.54	0.01
Legal and professional fees	0.31	-
Directors sitting fees	1.40	1.00
Payment to Auditor :-		
- As Auditor	0.67	0.66
Debit balance written off	-	0.26
Miscellaneous expenses	0.17	0.07
Total	3.08	2.00



Notes forming part of the financial statements

17 First-time adoption of Ind-AS

These financial statements for the year ended 31 March 2017, are the first financial statement the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

The transition as at April 1, 2015 to Ind AS was carried out from Previous GAAP. The exemptions and exceptions applied by the Company is in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards.

Reconciliations between Previous GAAP and Ind AS

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

- Reconciliation of Equity
- Reconciliation of Profit and loss and other comprehensive income

Reconciliation of equity as at 1st April 2015 (date of transition to Ind AS)

Particulars	(Rs. in lacs)			
	Footnotes	I GAAP	Adjustment	IND AS
ASSETS				
Non-current assets				
Capital work-in-progress	a	2,532.06	-	2,532.06
Financial assets				
i. Investments		-	-	-
Other non-current assets	b	11.16	(11.16)	-
Total non-current assets		2,543.21	(11.16)	2,532.06
Current assets				
Financial assets				
i. Cash and cash equivalents		42.03	(42.03)	-
ii. Bank balances other than (i) above			42.03	42.03
Other current assets		0.20	-	0.20
		42.23	-	42.23
Total assets		2,585.45	(11.16)	2,574.29
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,862.75	-	1,862.75
Other equity	b	-	(11.16)	(11.16)
Total equity		1,862.75	(11.16)	1,851.59
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings		48.06	(48.06)	-
Total non-current liabilities		48.06	(48.06)	-



Notes forming part of the financial statements

Current liabilities

Financial liabilities

i. Borrowings	48.06	48.06
iii. Other financial liabilities	530.13	530.13

Other current liabilities	674.64	(530.13)	144.51
Total current liabilities	674.64	48.06	722.70

Total equity and liabilities	2,585.44	(11.16)	2,574.29
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Reconciliation of equity as at 31 March 2016

Particulars	Footnotes	(Rs. In lacs)		
		March 31, 2016		
		I GAAP	Adjustment	IND AS
ASSETS				
Non-current assets				
Capital Work in Progress	a	659.97	-	659.97
Financial assets				
i. Investments		1,150.00	-	1,150.00
Non-current tax assets (net)		-	-	-
Other non-current assets	b	10.98	(10.98)	-
Total non-current assets		1,820.95	(10.98)	1,809.97
Current assets				
Financial assets				
i. Cash and cash equivalents		43.73	(42.03)	1.70
ii. Bank balances other than (i) above		-	42.03	42.03
v. Loans		0.21	(0.22)	(0.01)
Other current assets			0.22	0.22
Total assets		1,864.89	(10.98)	1,853.91
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,862.75	-	1,862.75
Other equity	b	(2.00)	(10.98)	(12.98)
Total equity		1,860.75	(10.98)	1,849.77
Non-current liabilities				
Financial liabilities				
i. Borrowings		3.07	-	3.07
Total non-current liabilities		3.07	-	3.07
Current liabilities				
Financial liabilities				
i. Other financial liabilities		-	0.71	0.71
Provisions				
Other current liabilities		1.07	(0.71)	0.36
Total current liabilities		1.07	-	1.07
Total equity and liabilities		1,864.89	(10.98)	1,853.91



Notes forming part of the financial statements

Reconciliation of Profit and Loss for the year ended 31 March, 2016

Particulars	Footnotes	March 31, 2016		
		IGAAP	Adjustment	IND AS
Revenue from operations		-	-	-
Finance income		-	-	-
Other income		-	-	-
Total income		-	-	-
Expenses				
Cost of materials consumed		-	-	-
Purchases of stock-in-trade		-	-	-
Increase or decrease in WIP (inventories)		-	-	-
Excise duty		-	-	-
Employee benefit expenses		-	-	-
Depreciation and amortisation expense		-	-	-
Net finance costs		0.00	-	0.00
Other expenses		2.00	-	2.00
Total expenses		2.00	-	2.00
Profit before exceptional items and tax		(2.00)	-	(2.00)
Exceptional items				-
Profit before tax		(2.00)	-	(2.00)
Income tax expense				
- Current tax		-	-	-
- Deferred tax (asset)/liability		-	-	-
Total tax expense/(credit)		-	-	-
Profit for the year		(2.00)	-	(2.00)
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement gain/(loss)		-	-	-
Tax relating to above		-	-	-
OCI for the year		-	-	-
Total comprehensive income for the year		(2.00)	-	(2.00)

a Capital work in progress

The management has elected to continue with the previous GAAP carrying value for the Capital work in progress as its deemed cost as on the date of transition.

b Preliminary expenses written off

Under IGAAP, share issue expenses were shown as preliminary expenses under Non current assets. However under Ind AS, the transaction costs incurred for an equity transaction are to be accounted as part of the equity to which it relates.



Notes forming part of the financial statements

18 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

Judgements

The management has exercised judgements in determining whether the Company exercises control/ significant influence over the entity.

Estimates and assumptions

a) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b) Impairment testing

i. Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

ii. Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

c) Fair Value Measurement

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

d) 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 April 1, 2017.

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.

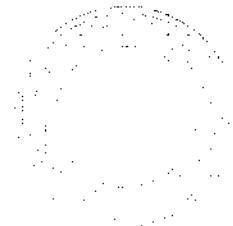
19 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.



Notes forming part of the financial statements

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Foreign Currency risk

The company undertakes transactions in reporting currencies which is INR; consequently, exposures to exchange rate fluctuations does not arise.

Credit risk

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with its Group's policy.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2017 and 31 March 2016 is the carrying amounts specified in Note 6 and 7

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that the funds are available for use as per the requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March, 2017

(Rs. in lacs)		
	Due in 1st year	Due in 2nd to 5th year
Financial Liabilities		
Borrowings	8.29	-
Other current financial liabilities	2.19	-
Total	8.48	-

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March, 2016

(Rs. in lacs)		
	Due in 1st year	Due in 2 to 5 nd year
Financial Liabilities		
Borrowings	3.07	-
Other current financial liabilities	0.71	-
Total	3.78	-

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 1 April, 2015

(Rs. in lacs)		
	Due in 1st year	Due in 2 to 5 nd year
Financial Liabilities		
Borrowings	43.06	-
Other current financial liabilities	6.08	-
Total	54.14	-

20 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the shareholder of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.



Notes forming part of the financial statements

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio less than 60%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	(Rs. In lacs)		
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Borrowing from related parties	8.25	3.07	48.08
Other current financial liabilities	2.18	0.71	550.15
Less: cash and cash equivalents	(43.67)	(43.72)	(42.04)
Net Debt	(35.09)	(39.94)	536.15
Equity	1,862.75	1,862.75	1,862.75
Compulsorily Convertible Debentures			
Total Capital	1,862.75	1,862.75	1,862.75
Capital and net debt	1,827.66	1,822.81	2,398.90
Capital Gearing Ratio	-2%	-2%	22%

No changes were made in the objectives, policies and processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

21 Fair Values

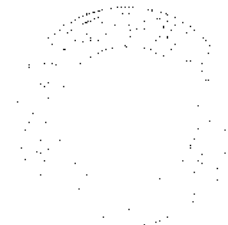
On comparison by class of the carrying amounts and fair value of the Company's financial instruments, the carrying amounts of the financial instruments reasonably approximates fair values.

22 Earnings per share (EPS)

	(Rs. In lacs)	
	As at 31 March 2017	As at 31 March 2016
Net profit after tax available for equity shareholders	(5.19)	(1.93)
Weighted average number of equity shares of Rs. 10 each outstanding during the year used for calculating basic EPS (Number of shares)	18,627,511	18,627,511
Weighted average number of equity shares of Rs. 10 each outstanding during the year used for calculating diluted EPS (Number of shares)	18,627,511	18,627,511
Basic earnings per share	(0.03)	(0.01)
Diluted earnings per share	(0.03)	(0.01)

23 Segment Information

The Company is engaged in only one business segment i.e. infrastructure development. The Company is operating in a single geographical segment i.e. India.



24 Disclosure as required by Ind AS 24 - Related Party disclosures

a) Particulars of Holding Companies

Name of the entities	Extent of holding		
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Welspun Enterprises Limited	100%	100%	49%
ARSS Infrastructure Projects Limited	-	-	51%

b) Name of Fellow subsidiaries

MSK Projects (Kim Mandvi Corridor) Private Limited

c) Directors / Key managerial Personnel (KMP)

Name of the Related Parties	
Mr. Sandeep Garg	Director
Mr. Apurva Kumar Dasgupta	Director
Mr. Deepak Chauhan	Director
Ms. Maia Todorwal	Director
Mr. Vinco Sanjay	Director and CFO

d) The following transactions were carried out with related parties in the ordinary course of business:

(Rs. In lacs)

Nature of transactions	Year ended 31 March 2017	Year ended 31 March 2016
Expenses incurred on behalf of the Company		
Welspun Enterprises Limited	3.22	0.07
Amount received		
Welspun Enterprises Limited	1.00	3.00
Amount repaid/ adjusted		
Welspun Enterprises Limited	1.00	48.06
Share application money repaid/ adjusted		
Welspun Enterprises Limited	-	4.50
ARSS Infrastructure Projects Limited	-	519.54
Investment in CCD of MSK Projects (Kim Mandvi Corridor) P Ltd		
Welspun Enterprises Limited	-	1,150.00
Equity shares received		
Welspun Enterprises Limited	-	950.00
Equity shares transferred		
ARSS Infrastructure Projects Limited	-	0.01

Closing balances as at

(Rs. in lacs)

Nature of transactions	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Investment in Compulsorily Convertible Debentures			
MSK Projects (Kim Mandvi Corridor) P Ltd	1,150.00	1,150.00	-
Share application money received pending allotment			
Welspun Enterprises Limited	-	-	4.50
ARSS Infrastructure Projects Limited	-	-	519.54
Creditor for expenses			
Welspun Enterprises Limited	3.29	3.07	48.06

25 Under the Micro, Small and Medium Enterprise Development Act, 2008 ("MSMED Act") which came into force effective from October 2, 2008, certain disclosures relating to amounts due to micro, small and medium enterprises are required to be made. As the relevant information is not yet readily available and /or not given or confirmed by such enterprises, it is not possible to give required information in the accounts. However, in view of the management, the impact of interest, if any, which may subsequently become payable to such enterprises in accordance with the provisions of the Act, would not be material and the same, if any, would be disclosed in the year of payment of interest.

In the absence of the necessary information with the Company relating to the registration status of the suppliers under the Micro, Small and Medium Enterprises Development Act, 2008, the information required under the said Act could not be compiled and disclosed.

26 Details of loans given, investments made and guarantee given covered Uis 136 of the Companies Act, 2013

The Company is engaged in the business of providing infrastructural facilities as specified under Schedule VI of the Companies Act 2013 (the 'Act') and hence the provisions of Section 136 of the Act related to loans/ guarantees given or securities provided are not applicable to the Company



27 Figures for the previous year are re-classified/ re-arranged/ re-grouped, wherever necessary to be in conformity with the figures of the current year's classification/ disclosure.

As per our report of even date attached.

FOR SUREKA ASSOCIATES
Chartered Accountants
FRN : 110340W

Suresh Sureka
Partner
Membership No: 34132

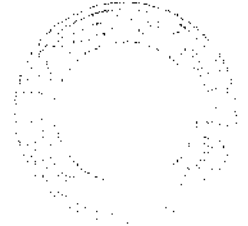
Place: Mumbai
Date: 20 MAY 2017



For and on behalf of the Board of Directors

Sandeep Garg
Director

DIN : 00336419



Vinod Sanjay
Whole Time Director & CFO

DIN : 07470339

Indu

Indu Daryani
Company Secretary