

Special Purpose Financial Statements  
ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)  
Balance sheet as at March 31, 2018

Particulars	Notes	As at	
		March 31, 2018	March 31, 2017
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, plant and equipment	5	3,617,218	44,994,669
(b) Capital work-in-progress	5	23,530,592	-
(c) Investment property	6	38,234,227	-
(d) Financial assets			
Other financial assets	9	900,087	3,860,361
<b>Total Non-current Assets</b>		<b>66,282,124</b>	<b>48,855,030</b>
<b>Current Assets</b>			
(a) Financial assets			
(i) Trade receivables	7	67,244,968	190,454,796
(ii) Cash and cash equivalents	10	1,853,193	309,750,897
(iii) Loans	8	113,833,397	255,668,979
(b) Other current assets	11	4,371,700	2,997,646
		<b>187,303,258</b>	<b>758,872,318</b>
<b>Total Current Assets</b>		<b>187,303,258</b>	<b>758,872,318</b>
<b>Total Assets</b>		<b>253,585,382</b>	<b>807,727,348</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	12	591,928,468	539,107,600
(b) Other Equity	13	(726,738,704)	(554,296,862)
Equity attributable to owners of the Company		<b>(134,810,236)</b>	<b>(15,189,262)</b>
<b>Total Equity</b>		<b>(134,810,236)</b>	<b>(15,189,262)</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Provisions	16A	18,799,004	14,060,301
<b>Total Non-current Liabilities</b>		<b>18,799,004</b>	<b>14,060,301</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	290,361,202	718,048,968
(ii) Trade payables	18	56,361,864	66,281,666
(iii) Other financial liabilities	15	11,058,762	5,741,097
(b) Provisions	16B	11,814,786	18,784,578
<b>Total Current Liabilities</b>		<b>369,596,614</b>	<b>808,856,309</b>
<b>Total Liabilities</b>		<b>388,395,618</b>	<b>822,916,610</b>
<b>Total Equity and Liabilities</b>		<b>253,585,382</b>	<b>807,727,348</b>

Notes 1 to 34 forms part of the special purpose financial statements.

For SBRC & CO LLP  
Chartered Accountants  
ICAI Firm's Registration no. 324982E/E300003

For and on behalf of the Board

Per Nishant Mankodi  
Partner  
Membership No.

Director Director

Place : Mumbai  
Date :

Place: Dubai  
Date :

**Special Purpose Financial Statements**  
**ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)**

**Statement of profit and loss**

Equivalent ₹

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
(i) Revenue from Operations	19	37,261,749	181,524,213
(ii) Other income	20	11,217,403	6,115,828
<b>Total Income</b>		<b>48,479,152</b>	<b>187,640,041</b>
<b>(iii) Expenses</b>			
Operating expenses	21	58,603,600	76,224,651
Employee benefits expense	22	109,484,022	202,275,705
Finance costs	23	28,285,874	14,796,437
Depreciation and amortisation expense	24	3,329,990	3,939,347
Other expenses	25	20,161,901	51,057,092
<b>Total expenses</b>		<b>219,865,386</b>	<b>348,293,232</b>
<b>Profit/(Loss) for the year (i-iii)</b>		<b>(171,386,234)</b>	<b>(160,653,191)</b>
<b>Other Comprehensive Income</b>			
<u>Items that may be reclassified to profit or loss</u>			
Exchange differences in translating the financial statements of foreign operations including the gain / loss on related hedging instrument		(1,055,607)	862,784
<b>Total other comprehensive profit/ (loss)</b>		<b>(1,055,607)</b>	<b>862,784</b>
<b>Total comprehensive Profit/ (loss) for the year</b>		<b>(172,441,842)</b>	<b>(159,790,407)</b>
Profit/(Loss) for the year attributable to:		(171,386,234)	(160,653,191)
		(171,386,234)	(160,653,191)
Other comprehensive profit/(loss) for the year attributable to:		(1,055,607)	862,784
		(1,055,607)	862,784
Total comprehensive profit/(loss) for the year attributable to:		(172,441,842)	(159,790,407)
<b>Total comprehensive profit/(loss)</b>		<b>(172,441,842)</b>	<b>(159,790,407)</b>
Earning per share (of Rs.10 each)	26		
(1) Basic (in Rs.)		(5,177)	(5,831)
(2) Diluted (in Rs.)		(5,177)	(5,831)
Paid up equity share capital (face value rs10 each)			

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For and on behalf of the Board

Per Nishant Mankodi  
Partner  
Membership No.

Director Director

Place : Mumbai  
Date :

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**Special Purpose Financial Statements**  
**ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)**  
**Statement of cash flows**

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Cash flows from operating activities</b>		
Loss for the year	(171,386,234)	(160,653,191)
Adjustments for:		
Finance costs	28,285,874	14,796,437
Interest income	(11,217,403)	(6,115,828)
Provision for Employee benefits (net)	4,738,703	8,440,671
provision for leave salary	-	10,674,638
Depreciation and amortisation	3,329,990	3,939,347
	<b>(146,249,070)</b>	<b>(128,917,926)</b>
Movements in working capital:		
(Increase) in trade receivables	274,859,602	(409,181,966)
Increase in liabilities (current and non current)	(457,176,672)	57,160,906
	<b>(182,317,070)</b>	<b>(352,021,060)</b>
Cash generated from operations	<b>(328,566,140)</b>	<b>(480,938,986)</b>
<b>Net cash used in operating activities</b>	<b>(328,566,140)</b>	<b>(480,938,986)</b>
<b>Cash flows from investing activities</b>		
Payments to acquire assets	(23,522,999)	6,115,828
Interest received	802,569	-
<b>Net cash (used in) investing activities</b>	<b>(22,720,430)</b>	<b>6,115,828</b>
<b>Net Cash generated from financing activities</b>		
Proceeds from issue of equity instruments of the Company	52,820,868	145,746,900
Proceeds from long term borrowings	-	634,834,355
Employee benefits paid	-	(9,671,659)
Proceeds from short term borrowings	-	-
Interest paid (Finance cost paid)	(6,833,966)	(586,615)
<b>Net generated from financing activities</b>	<b>45,986,902</b>	<b>770,322,981</b>
<b>Net increase in cash and cash equivalents</b>	<b>(305,299,668)</b>	<b>295,499,823</b>
Cash and cash equivalents at the beginning of the year	309,750,897	30,839,097
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(2,598,037)	(16,588,023)
		-
<b>Cash and cash equivalents at the end of the year</b>	<b>1,853,192</b>	<b>309,750,897</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on hand	16,506	58,355
Balances with Banks in current accounts	1,836,687	309,692,542
Cash and Cash Equivalents as per Balance Sheet	1,853,192	309,750,897

Notes 1 to 34 forms part of the special purpose financial statements.

For SBRC & CO LLP  
Chartered Accountants  
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For and on behalf of the Board

Per Nishant Mankodi  
Partner  
Membership No.

Director Director

Place : Mumbai  
Date :

Place: Dubai  
Date :

Special Purpose Financial Statements  
ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)

Statement of changes in equity for the year ended March 31, 2018

Equivalent ₹

a. Equity share capital	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Balance as at the beginning of the year	539,107,600	393,360,700
Changes in equity share capital during the year - Share capital issued	52,820,868	145,746,900
<b>Balance as at end of the year</b>	<b>591,928,468</b>	<b>539,107,600</b>

Equivalent ₹

b. Other equity			
	Retained earnings	Foreign Currency Translation Reserve	Total
Balance as at April 1, 2017	(394,506,455)	862,784	(393,643,671)
Loss for the year	(159,790,407)	-	(159,790,407)
Other comprehensive income	-	(862,784)	(862,784)
	<b>(159,790,407)</b>	<b>(862,784)</b>	<b>(160,653,191)</b>
<b>Balance as at March 31, 2017</b>	<b>(554,296,862)</b>	<b>-</b>	<b>(554,296,862)</b>
Loss for the year	(171,386,234)	-	(171,386,234)
Other Comprehensive income	-	(1,055,607)	(1,055,607)
	<b>(171,386,234)</b>	<b>(1,055,607)</b>	<b>(172,441,842)</b>
<b>Balance as at March 31, 2018</b>	<b>(725,683,097)</b>	<b>(1,055,607)</b>	<b>(726,738,704)</b>

Notes 1 to 34 forms part of the special purpose financial statements.

For SBRC & CO LLP  
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For and on behalf of the Board

Per Nishant Mankodi  
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Membership No.

Director                      Director

Place : Mumbai  
Date :

Place: Dubai  
Date :

## **General Information & Significant Accounting Policies**

### **1. General information**

ITNL International DMCC (IIDMCC) (formerly known as ITNL International JLT, Dubai till February 2 2015) was incorporated on 10 May 2012 as a limited liability company in Dubai, United Arab Emirates. The object of incorporating this Company is to source infrastructure business in the UAE and the Middle-east. The source of income will be from project management consultancy services, success fees and construction income etc.

The subscribed share capital of the Company is stated at historical rate and is held 100% by ITNL International Pte Ltd., based in Singapore which is the wholly owned subsidiary of IL&FS Transportation Networks Limited.

During the Year ended March 31, 2018, the Company has incurred losses aggregating ₹ 171,386,234 resulting in accumulated losses of ₹ 726,738,704 as on March 31, 2018. In spite of these accumulated losses eroding the net worth fully, the financial statements have been prepared on going concern basis due to the following reasons:

(i) ITNL International DMCC, a company registered in DMCC under Project Management and Feasibility Consultant license has been appointed by Tawreed LLC to provide specialist advise regarding their proposal for development of automated car parking facility in Sharjah. IIDMCC will assist Tawreed on project due diligence including project structuring, implementation framework and submission of a competitive proposal to Shurooq (Sharjah Investment Authority). As part of the assignment, IIDMCC or its associate company has option to take equity position in the Project SPV. Further post signing of Concession IIDMCC will assist Project SPV with equity raising, debt syndication and Project Management and also eligible for Project Development Fee.

(ii) The Company is identified as center for providing Project Consultancy and Development services for all international projects of Parent Company in Africa and Dubai. For this purpose key employees from business development department of intermediate holding company have been deputed in the Company.

(iii) ITNL Infrastructure Developers LLC ("IIDL"), Dubai, a Company incorporated by ITNL International Pte. Ltd. ("IIPL"), Singapore had been pursuing the Dubai Supreme Courts Project and was awarded this project on 4 May 2016 for concession period of 30 years on Design, Build, Finance, Operation and Maintenance of Dubai Supreme Courts Project on a public private partnership basis. In accordance with the Project Concession Agreement, IIDL along with MAK Holdings LLC and Next Generation Parking Limited JAFZA have incorporated Park Line LLC ("PLL") as a project developer. The Company has been appointed by PLL as Design and Build Contractor for their Dubai Supreme Courts Project. The Company has earned revenue in the form of design, project development and construction fees.

(iii) The Company is assured of continuing operational and financial support from its Intermediate Holding company, vide its letter dated May 2, 2018 which is effective for the period of 12 months.

### **2. Significant accounting policies**

#### **2.1 Statement of compliance**

The primary books of account of the Company are prepared and maintained as per the Local GAAP. These Special Purpose financial Statements have been specifically prepared in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Act, as applicable. The accounting policies followed in the preparation and presentation of the Special Purpose Financial Statements are consistent with those followed by IL&FS Transportation Networks Limited ("ITNL") (the Intermediate Holding Company) i.e. the accounting principles generally accepted in India and also the accounting policies given in the Group Referral Instructions issued by ITNL. The functional currency of the company is AED.

These special purpose financial statements have been prepared for the limited purpose of inclusion in the preparation of the consolidated financial statements of ITNL and these special purpose financial statements have been prepared in Indian Rupees (Reporting Currency) in accordance with the principles for conversion laid down in Ind AS -21 notified under the Rules.

#### **2.2 Basis of preparation and presentation**

These financial statements have been prepared on the historical cost basis, except as specifically explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

**ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)**  
**Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2018**

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The balance sheet presents current and non-current assets, and current and non-current liabilities, as separate classifications. For this purpose, an asset is classified as current if:

- It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is expected to be settled in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within 12 months after the reporting period; or
- The Company does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

### **2.3 Foreign currencies**

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### **2.4 Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **2.5 Employee benefits**

#### **2.5.1 Retirement benefit costs and termination benefits**

Provision for employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

#### **2.5.2 Short-term and other long-term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

### **2.5.3 Revenue Recognition**

Revenue from rendering of services is recognised when the outcome of the transaction can be estimated reliably, by reference to the deliverables of the services or stage of completion of the transaction at the reporting date.

Fees for project development, sponsorship and design are accounted on accrual basis based on the completion of the scope of work for each activities.

#### **2.5.3.1 Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

#### **2.5.3.2 Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVOCI criteria based on the facts and circumstances that existed as of the transition date.

### **2.6 Property, plant and equipment**

#### **a. Tangible:**

Property, plant and equipments are stated at their original cost of less accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the location and in working condition for its intended use.

#### **d. Depreciation / Amortisation**

(i) All tangible assets are depreciated on a Straight Line Depreciation Method, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 other than assets specified in para (ii) below, as included in the accounting policy of ITNL Group

(ii) Following assets are depreciated over a useful life which is shorter than the life prescribed under Schedule II of the Companies Act 2013 based on internal technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.

1. Data Processing Equipment – Server and Networking equipment are depreciated over a period of 3 years
2. Mobile Phones and Ipad / Tablets are fully depreciated in the year of purchase
3. Cars purchased by the company for employees, are depreciated on Straight Line Method over a period of Five years
4. Office Premises is depreciated over a period of 61 years
5. Office furniture is depreciated over a period of 10 years
6. Office equipment is depreciated over a period of 5 years

### **2.7 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **2.8 Financial instruments**

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **2.9 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

### **2.10.1 Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **2.11.5 Modification of Cash Flows of financial assets and revision in estimates of Cash flows**

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the Derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in the Statement of Profit and loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

If the Company revises its estimates of payments or receipts (excluding modifications and changes in estimates of expected credit losses), it adjusts the gross carrying amount of the financial asset or amortized cost of a financial liability to reflect actual and revised estimated contractual cash flows. The Company recalculates the gross carrying amount of the financial asset or amortized cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognized in the Statement of Profit or Loss as an income or expense.

### **2.12 Financial liabilities and equity instruments**

#### **2.12.1 Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **2.12.2 Financial liabilities**

All financial liabilities are subsequently measured at amortized cost using the effective interest method as per Ind AS 109.

Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Derecognition of financial liabilities - The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

### **2.13 Use of estimates and judgements**

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

#### **Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### **Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.



### **Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income' in the line-item 'Net foreign exchange gains/(losses)'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **3 First-time adoption optional exemptions**

#### **3.1 Overall principle**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

#### **3.1.1 Deemed cost for property, plant and equipment, investment properties, and intangible assets**

(i) For other than SCA assets, [the Group] the Company has elected to continue with the carrying value of all of its plant and equipment, investment properties, and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(ii) The Group has elected the option to reset the cumulative translation differences on foreign operations that exist as of the transition date to zero. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

#### **3.1.2 Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

#### **3.1.3 Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

#### **4.1 Critical judgements in applying accounting policies**

In the application of the Company's accounting policies which are described in Note 2 above, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The management is of the opinion that any instances of application of judgments are not expected to have a significant effect on the amounts recognised in the financial statements

#### **4.2 No Tax is applicable on profits as per Dubai Law**

#### **4.3 Key sources of estimation uncertainty**

The key assumptions made concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### **4.4 Ind AS Reconciliation:**

There were no significant reconciliation items between:

- i) Equity as previously reported under IGAAP to Ind AS;
- ii) Balance Sheet as previously reported under IGAAP to INDAS;
- iii) Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS; and
- iv) Cash flows prepared under Indian GAAP and those prepared under Ind AS;

and hence, no disclosure with respect to Ind AS reconciliation items have been made. There were only regrouping under Ind AS as compared to IGAAP

#### **4.5 Recent accounting pronouncements**

##### **Standards issued but not yet effective**

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("Amended Rules") as per which Ind AS 115 "Revenue from Contract with Customers" supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and also MCA has carried out amendments to other existing Ind AS. These amendments shall be applicable to the Company for all accounting periods commencing on or after April 01, 2018

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Note-5

Current Year

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Equivalent ₹
	Balance as at April 1, 2017	Additions	Effect of foreign currency exchange differences	Balance at March 31, 2018	Balance as at April 1, 2017	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2018	As at March 31, 2017
<b>Property plant and equipment</b>									
Vehicles	3,684,869		1,267	3,686,137	1,191,659	1,159,318	1,150,836	3,501,813	184,324
Data processing equipments	3,943,387		1,356	3,944,744	2,171,956	567,030	993,098	3,732,084	212,660
Office equipments	1,485,708	192,814	194,647	1,680,356	398,889	400,512	390,290	1,189,692	490,714
Furniture and fixtures	4,307,334		1,481	4,308,815	537,426	522,847	519,022	1,579,294	2,729,521
<b>Subtotal</b>	<b>13,421,299</b>	<b>192,814</b>	<b>198,752</b>	<b>13,620,052</b>	<b>4,299,930</b>	<b>2,649,707</b>	<b>3,053,246</b>	<b>10,002,883</b>	<b>3,617,218</b>
Capital work-in-progress	-	23,530,592		23,530,592	-	-	-	-	23,530,592
<b>Total</b>	<b>13,421,299</b>	<b>192,814</b>	<b>198,752</b>	<b>37,150,644</b>	<b>4,299,930</b>	<b>2,649,707</b>	<b>3,053,246</b>	<b>10,002,883</b>	<b>27,147,811</b>

Previous Year

Particulars	Cost or Deemed cost				Accumulated depreciation and impairment				Carrying Amount
	Balance as at April 1, 2016	Additions	Effect of foreign currency exchange differences	Balance at March 31, 2017	Balance as at April 1, 2016	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2017	As at March 31, 2016
<b>Property plant and equipment</b>									
Vehicles	3,763,153		(78,284)	3,684,869	1,191,659	1,207,526	(65,446)	2,333,739	1,351,130
Data processing equipments	4,003,398		(60,011)	3,943,387	2,171,956	1,069,307	(81,185)	3,160,077	783,310
Office premises	41,130,855		(855,631)	40,275,224	699,259	708,572	(38,404)	1,369,428	38,905,796
Office equipments	1,517,272		(31,563)	1,485,708	398,889	409,353	(22,081)	786,162	699,597
Furniture and fixtures	4,398,841		(91,508)	4,307,334	537,426	544,590	(29,516)	1,052,499	3,254,835
<b>Subtotal</b>	<b>54,813,520</b>	<b>-</b>	<b>(1,116,997)</b>	<b>53,696,523</b>	<b>4,999,190</b>	<b>3,939,347</b>	<b>(236,631)</b>	<b>8,701,904</b>	<b>44,994,669</b>
<b>Total</b>	<b>54,813,520</b>	<b>-</b>	<b>(1,116,997)</b>	<b>53,696,523</b>	<b>4,999,190</b>	<b>3,939,347</b>	<b>(236,631)</b>	<b>8,701,904</b>	<b>44,994,669</b>

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Note-6

Current Year

Particulars	Cost or Deemed cost			Accumulated depreciation and impairment				Equivalent ₹	
	Balance as at April 1, 2017	Additions	Effect of foreign currency exchange differences	Balance at March 31, 2018	Balance as at April 1, 2017	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2018	As at March 31, 2018
<b>Investment Property</b>									
Office premises	40,275,224	-	13,852	40,289,076	699,259	680,283	675,306	2,054,849	38,234,227
<b>Total</b>	<b>40,275,224</b>	<b>-</b>	<b>13,852</b>	<b>40,289,076</b>	<b>699,259</b>	<b>680,283</b>	<b>675,306</b>	<b>2,054,849</b>	<b>38,234,227</b>

Foot note :

Additions to the Investment property for the current year, includes office premises of INR 4 Crore given on operating lease for a period of 1 Year at fixed monthly rental which is included under Other income

Information regarding Income and Expenditure of Investment Property

Particulars	As at March 31, 2018	As at March 31, 2017
Rental income derived from investment properties	875,549	
Direct operating expenses (including repairs & maintenance) generating rental income	-	
Profit arising from investment properties before depreciation and indirect expenses	875,549	
Less: Depreciation on investment property	(680,283)	
Profit arising from investment properties	195,266	

Fair Value measurement of Company's Investment Properties

Particulars	Fair Value as per Level 2	
	As at March 31, 2018	As at March 31, 2017
Investment Property	44,651,353	-

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**7. Trade receivables - Current**

Particulars	Equivalent ₹	
	As at March 31, 2018	As at March 31, 2017
(a) Unsecured, considered good	67,244,968	190,454,794
<b>Total</b>	<b>67,244,968</b>	<b>190,454,794</b>

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

**8. Loans -Current**

Particulars	Equivalent ₹	
	As at March 31, 2018	As at March 31, 2017
<b>a) Loans to related parties (Refer foot note)</b>		
-Unsecured, considered good (see below)	113,833,397	255,668,979
<b>Total (a+b)</b>	<b>113,833,397</b>	<b>255,668,979</b>

**Foot Note**

Loans has been given to Elsamex SA Spain and it carries on the terms of 7.5% interest per annum and for the period of six months and is payable on 24th of May 2018

**9. Other financial assets - Non Current**

Particulars	Equivalent ₹	
	As at March 31, 2018	As at March 31, 2017
- Security Deposits	900,087	983,857
- Advances receivable from related party Unsecured, considered good	-	2,876,504
- Other Loans and advances-staff loans	-	-
<b>Total</b>	<b>900,087</b>	<b>3,860,361</b>

**10. Cash and cash equivalents**

Particulars	Equivalent ₹	
	As at March 31, 2018	As at March 31, 2017
Balances with Banks	1,836,687	309,692,542
Cash on hand	16,506	58,355
<b>Cash and cash equivalents</b>	<b>1,853,193</b>	<b>309,750,897</b>

**11. Other assets - Current**

Particulars	Equivalent ₹	
	As at March 31, 2018	As at March 31, 2017
-Prepaid expenses	2,957,889	2,997,646
-VAT Input Credit	1,413,810	-
<b>Total</b>	<b>4,371,699</b>	<b>2,997,646</b>

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12. Equity Share Capital

Particulars	Equivalent ₹	
	As at March 31, 2018	As at March 31, 2017
Equity share capital	591,928,468	539,107,600
<b>Total</b>	<b>591,928,468</b>	<b>539,107,600</b>
<b>Authorised Share capital :</b>		
31,900 equity shares of AED 1,000 each	591,928,468	539,107,600
<b>Issued and subscribed capital comprises:</b>		
34,900 fully paid equity shares of AED 1000 each (as at March 31, 2017: 31,900)	591,928,468	539,107,600
	591,928,468	539,107,600

12.1 Movement during the period

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	Number of shares	Share capital (Amount)	Number of shares	Share capital (Amount)
Shares outstanding at the beginning of the year	31,900	539,107,600	23,900	393,360,700
Shares issued during the year	3,000	52,820,868	8,000	145,746,900
Shares outstanding at the end of the period	34,900	591,928,468	31,900	539,107,600

Fully paid equity shares, which have a par value of AED 1000, carry one vote per share and carry a right to dividends.

12.2 Details of shares held by the holding company, the ultimate controlling party, their subsidiaries and associates

Particulars	Equivalent ₹	
	As at March 31, 2018	As at March 31, 2017
ITNL International PTE Ltd, the holding company	34,900	31,900
<b>Total</b>	<b>34,900</b>	<b>31,900</b>

12.3 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
Fully paid equity shares				
ITNL International PTE Ltd	34,900	100.00%	31,900	100.00%
<b>Total</b>	<b>34,900</b>	<b>100.00%</b>	<b>31,900</b>	<b>100.00%</b>

13. Other Equity (excluding non-controlling interests)

Particulars	Equivalent ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Foreign currency translation reserve (Foot Note)</b>		
Balance at beginning of period	-	862,784
Exchange differences arising on translating the foreign operations	(1,055,607)	(862,784)
Others (describe)	-	-
<b>Balance at end of the period</b>	<b>16,467,553</b>	<b>-</b>
<b>Retained earnings</b>		
Balance at beginning of period	(554,296,862)	(394,506,455)
Loss attributable to owners of the Company	(172,441,842)	(159,790,407)
<b>Balance at end of the period</b>	<b>(726,738,704)</b>	<b>(554,296,862)</b>
<b>Total</b>	<b>(726,738,704)</b>	<b>(554,296,862)</b>

Note: Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e. Rs.) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

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14. Non-current Borrowings

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Unsecured – at amortised cost</b>		
Loans from related parties (see foot note)	-	-
<b>Total Non-current borrowings</b>	-	-

14.1 Summary of borrowing arrangements

**Footnote :** Loan from a Holding Company is obtained for working capital requirements. The loan is unsecured, carries interest rate 5% per annum and is repayable in one bullet payment at end of 3 years from the date of drawdown i.e. on August 28, 2017 along with interest.

15. Other financial liabilities

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Others :-		
- Retention money payable	10,551,132	1,056
- Payable to related party - Holding company	-	5,740,041
- Vat Output liability	331,095	-
- Deposits payable	176,535	-
<b>Total</b>	<b>11,058,762</b>	<b>5,741,097</b>

16. Provisions

16A. Provisions - Non current

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Employee benefits	18,799,004	14,060,301
<b>Total</b>	<b>18,799,004</b>	<b>14,060,301</b>

16B. Provisions - Current

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Employee benefits-provision for Performance Bonus	6,791,173	8,109,940
Provision for Leave salary	5,023,613	10,674,638
<b>Total</b>	<b>11,814,786</b>	<b>18,784,578</b>

17. Current Borrowings

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Unsecured - at amortised cost</b>		
(a) Loans from related parties	290,361,202	718,048,968
<b>Total</b>	<b>290,361,202</b>	<b>718,048,968</b>

(i) Unsecured loan repayable to IIPL at interest rate of 8% per annum. The due date for the loan of AED2,700,000 is May 30, 2018 and the due date for the loan of AED 11,479,593 repayment is March 30, 2019.

18. Trade payables - Current

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payables	56,361,864	66,281,666
<b>Total</b>	<b>56,361,864</b>	<b>66,281,666</b>

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Notes forming part of the Special Purpose Financial Statements

19. Revenue from operations

Particulars	Equivalent ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Sale of services		
Advisory, Design and Engineering fees	37,261,749	181,524,213
<b>Total</b>	<b>37,261,749</b>	<b>181,524,213</b>

20. Other Income

Particulars	Equivalent ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest income	10,341,854	6,115,828
Rental income	875,549	-
<b>Total</b>	<b>11,217,403</b>	<b>6,115,828</b>

21. Operating Expenses

Particulars	Equivalent ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Operating Expenses</b>		
Fees for technical services / design and drawings	58,603,600	76,224,651
<b>Total</b>	<b>58,603,600</b>	<b>76,224,651</b>

22. Employee benefits expense

Particulars	Equivalent ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	85,673,354	171,315,712
Contribution to Indemnity	7,023,790	8,440,671
Provision for Employee PRP	13,150,219	9,074,184
Staff Welfare Expenses	1,885,047	21,737,870
Visa Expenses	506,639	1,568,728
Medical insurance	6,383,689	8,104,594
Provision for Leave Salary	5,207,614	-
Less :Salaries & benefits recharged to a related party(Refer footnote)	(10,346,331)	(17,966,054)
<b>Total</b>	<b>109,484,022</b>	<b>202,275,705</b>

Foot Note : It represents expenses recovered for one employee deputed in IL&FS Maritime International FZE (a related party) amounting equivalent INR 10,346,331.

**23. Finance costs**

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest on loans from related parties	28,285,874	14,796,437
<b>Total</b>	<b>28,285,874</b>	<b>14,796,437</b>

**24. Depreciation and amortisation expense**

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment	3,329,990	3,939,347
<b>Total</b>	<b>3,329,990</b>	<b>3,939,347</b>

**25. Other expenses**

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Books and periodicals	-	-
Rent expense	217,757	3,225,133
Travelling and conveyance	10,386,395	22,979,057
Legal and consultation fees	346,433	6,159,696
Rates and taxes	361,508	354,960
Agency fees	87,643	-
Communication expenses	3,309,554	7,471,105
Insurance	707,573	956,491
Printing and Stationary	-	1,001,087
Electricity Charges	83,906	524,814
Directors Fees	315,513	365,148
Bank Commission	158,236	62,975
Conference	367,445	65,809
Guest House Expenses	-	495,292
Payment to Auditors	964,947	1,642,436
office Administration	2,216,617	3,767,891
Bid documents	283,524	1,326,789
Business promotion expenses	346,963	658,409
Miscellaneous expenses	7,888	-
<b>Total</b>	<b>20,161,901</b>	<b>51,057,092</b>



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26. Basic and diluted profit/ (loss) per share

Particulars	Equivalent ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Profit/ (Loss) for the year (A)	(171,386,234)	(160,653,191)
Weighted average number of equity shares (B)	33,108	27,552
Nominal value of equity shares (AED)	1,000	1,000
Basic earnings per share (A/B)	(5,177)	(5,831)
Weighted average number of equity shares for basic EPS	33,108	27,552
<b>Effect of dilution:</b>		
Share Application Pending Allotment	-	-
Weighted average number of equity shares (C)	33,108	27,552
Nominal value of equity shares (AED)	1,000	1,000
Diluted earnings per share (A/C)	(5,177)	(5,831)

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**Notes forming part of the Special Purpose Financial Statements**

**27. Financial instruments**

**27.1 Capital management**

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of debt and Equity Share Capital.

**27.1.1 Gearing ratio**

The gearing ratio at end of the reporting period was as follows.

Equivalent ₹

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Debt (i)	290,361,202	718,048,968
Cash and bank balances	1,853,193	309,750,897
Net debt	288,508,009	408,298,071
Equity (ii)	(134,810,236)	539,107,600
Net debt to equity ratio (in times)	(2.14)	0.76

Debt is defined as long-term, current maturity of long-term and short-term borrowings

Equity represent all capital of the Company.

**27.2 Categories of financial instruments**

Equivalent ₹

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>Financial assets</b>		
Measured at amortised cost		
Cash and bank balances	1,853,193	309,750,897
Other financial assets- Non current	900,087	3,860,361
Trade receivables	67,244,968	190,454,796
Loans	113,833,397	255,668,979
Other current assets	-	2,997,646
Total	183,831,644	762,732,679
<b>Financial liabilities</b>		
Measured at amortised cost		
Borrowings	290,361,202	718,048,968
Trade payables	56,361,864	66,281,666
Other financial liabilities	11,058,762	5,741,094
Total	357,781,828	790,071,728

### **27.3 Financial risk management objectives**

The Company's financial risks not affected due to interest rate on borrowing is fixed

### **27.4 Market risk**

The Proposed activities expose it primarily to the financial risks of changes in interest rates. However there are no such risk currently as the borrowings of the Company is at fixed rate.

There has been no significant change to the Company's exposure to market risks or the manner in which these risks are managed and measured.

### **27.5 Foreign currency risk management**

There has been no significant change to the Company's exposure to foreign currency risk Management.

#### **27.5.1 Foreign currency sensitivity analysis**

The company is not exposed to any foreign currency sensitivity analysis

#### **27.5.2 Forward foreign exchange contracts**

The company did not carry out any foreign currency forward contracts during the year

### **27.6 Interest rate risk management**

The Company is not exposed to interest rate risk because it borrows funds at fixed interest rates.

The company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

#### **27.6.1 Interest rate sensitivity analysis**

The Company is not exposed to interest rate risk because it has borrowed funds at fixed interest rates.

### **27.8 Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties.

Trade receivables mainly consist receivable from Project Development Fee(PDF), Sponsorship fee and supervision fee. The receivables are from related parties. Hence there is no major risk

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**27.9. Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

27.9.1 Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	Equivalent ₹			
	31-Mar-18		31-Mar-17	
	Non-interest bearing	Fixed interest rate instruments	Non-interest bearing	Fixed interest rate instruments
Weighted average effective interest rate (%)		8%		8%
Upto 1 Year	67,420,626	306,639,667		
1-3 years				
3-5 year			72,022,760	
More than 5 years				744,575,773
		-		
<b>Total</b>	<b>67,420,626</b>	<b>306,639,667</b>	<b>72,022,760</b>	<b>744,575,773</b>
<b>Carrying Amount</b>	<b>67,420,626</b>	<b>306,639,667</b>	<b>72,022,760</b>	<b>718,048,968</b>

The following table details the company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Equivalent ₹			
	31-Mar-18		31-Mar-17	
	Non-interest bearing	Fixed interest rate instruments	Non-interest bearing	Fixed interest rate instruments
Weighted average effective interest rate (%)				
Upto 1 Year	71,568,991	111,362,562.00		
1-3 years	900,087			
3-5 year			755,874,672	-
More than 5 years		-	3,860,361	-
		-		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>759,735,033</b>	<b>-</b>
<b>Carrying amount</b>	<b>-</b>	<b>-</b>	<b>759,735,033</b>	<b>-</b>

**Carrying amount**

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

## 27.10. Fair value measurements

This note provides information about how the company determines fair values of various financial assets and financial liabilities.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 27.10.1 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management assessed the fair value of the cash and cash equivalents, trade receivable, trade payable, and other current liabilities approximate their carrying amounts largely due to short term maturity of these instruments, except for Fixed Term long term borrowings, and considered their in level 3 hierarchy of fair value

Equivalent ₹

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Financial assets at amortised cost:	<b>181,978,452</b>	<b>181,978,452</b>	<b>452,981,782</b>	<b>452,981,782</b>
- loans to related parties	113,833,397	113,833,397	255,668,979	255,668,979
- Other Financial Assets	900,087	900,087	3,860,361	3,860,361
- Trade Receivables	67,244,968	67,244,968	190,454,796	190,454,796
- Other current assets	-	-	2,997,646	2,997,646
- Cash and cash equivalents	1,853,193	1,853,193		
<b>Financial liabilities</b>				
Financial liabilities held at amortised cost:	<b>357,781,828</b>	<b>357,781,828</b>	<b>790,071,728</b>	<b>790,071,728</b>
- loans from related parties	290,361,202	290,361,202	718,048,968	718,048,968
- Other Financial liabilities	11,058,762	11,058,762	5,741,094	5,741,094
- trade payables	56,361,864	56,361,864	66,281,666	66,281,666

### Fair value hierarchy as at March 31, 2018

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets at amortised cost:				
- loans to related parties			113,833,397	113,833,397
- Other Financial Assets			900,087	900,087
- Trade Receivables	-	-	67,244,968	67,244,968
- Other current assets			-	-
- Cash and cash equivalents			1,853,193	1,853,193
<b>Total</b>	-	-	69,098,161	69,098,161
<b>Financial liabilities</b>				
Financial liabilities held at amortised cost:				
- loans from related parties		-	290,361,202	290,361,202
- Other Financial liabilities			11,058,762	11,058,762
- trade payables			56,361,864	56,361,864
- trade payables			-	-
<b>Total</b>	-	-	67,420,626	67,420,626

**ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)**

**Notes forming part of the Special Purpose Financial Statements**

**28. Related Party Disclosures**

**As at March 31, 2018**

(a) Name of the Related Parties and Description of Relationship:

<b>Nature of Relationship</b>	<b>Name of Entity</b>	<b>Abbreviation used</b>
Ultimate Holding company	Infrastructure Leasing & Financial Services Limited	IL&FS
Immediate Holding company	ITNL International PTE Ltd	I IPL
Intermediate Holding company	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Sharjah General Services Company LLC(Khadamat)	SGSC
	ILFS Maritime International FZE	IMICL
	ILFS Global Financial Service ( UK ) Limited	IFIN(UK)
	ILFS Global Financial Service ( ME ) Limited	IFIN(ME)
	Elsamex SA Spain	Elsamex
	ITNL Infrastructure developer LLC	IIDL
Key Management Personnel ("KMP")	K Ramchand Director Mukund Sapre Director Ravi Sreehari (Managing Director) Mr. Dilip Bhatia Director Mr. Krishna Ghag Director Mr. Saibal De Director Mr. Harish Mathur Director	
Entities Under Same Management	Park Line LLC	PLL

**As at March 31, 2017**

(a) Name of the Related Parties and Description of Relationship:

<b>Nature of Relationship</b>	<b>Name of Entity</b>	<b>Abbreviation used</b>
Ultimate Holding company	Infrastructure Leasing & Financial Services Limited	IL&FS
Intermediate Holding company	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Sharjah General Services Company LLC(Khadamat)	SGSC
	ILFS Maritime International FZE	IMIF
	ITNL Infrastructure developer LLC	IIDL
Key Management Personnel ("KMP")	K Ramchand Director Mukund Sapre Director Ravi Sreehari (Managing Director)	

ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)  
Notes forming part of the Special Purpose Financial Statements

Related Party Disclosures (contd.)

Year ended March 31, 2018

(b) transactions/ balances with above mentioned related parties (mentioned in note 28 above)

Particulars	ITNL	IPL	SGSC	IIDL	PLL	IMCL	Elsamex	IFIN (ME)	KMP	IFIN (UK)	Equivalent ₹	Total
<b>Balance</b>												
Equity Share capital		591,928,468										591,928,468
Advances Recoverable - Short Term				40,356,453								40,356,453
Loans and advances Recoverable							111,362,567					111,362,567
Short-term Borrowings		290,361,202										290,361,202
Trade Payables	1,518,856	4,323,777										5,842,733
Capital WIP								8,573,854		30,730,032		39,303,886
Loans and advances Payable						1,460,771						1,460,771
Trade Receivables			23,149,008		317,678							23,466,686
<b>Transactions</b>												
Interest Expenses		27,882,035				403,839						28,285,874
Interest Income							10,341,854					10,341,854
Travelling expenses	100,033											100,033
Operating Expenses					37,261,749							37,261,749
Office space recharge expenses				11,148,481								11,148,481
Fees & charges										30,730,032		30,730,032
Exaratra									2,573,185			2,573,185
Salaries rechargeable expenses				18,184,388	6,747,739							24,932,127
Annual incentive to senior management - K Ramchand									643,822			643,822
Annual incentive to senior management - Mukund Sapre									643,822			643,822
Annual incentive to senior management - Harish Mathur									643,822			643,822
Annual incentive to senior management - Dilip Bhatia									643,822			643,822

Year ended March 31, 2017

(b) transactions/ balances with above mentioned related parties (mentioned in note 28 above)

Particulars	ITNL	IPL	SGSC	IIDL	PLL	IMCL	Elsamex	IFIN (ME)	KMP	IFIN (UK)	Equivalent ₹	Total
<b>Balance</b>												
Advances Recoverable - Short Term				2,876,502								2,876,502
Loans and Advances recoverable							255,668,978					255,668,978
Trade payables	1,417,749	4,322,291										5,740,040
Long-term Lendings												
Short term Borrowing		436,439,470				281,609,498						718,048,968
Other Current Liabilities												
Trade Receivables			19,229,330		166,908,650	1,449,876						187,587,856
Salary & benefits recharged to related party												
Legal and professional expenses		4,387,491										4,387,491
Interest Expenses		14,796,419				6,651,628						21,448,047
Travelling expenses	663,492											663,492
Salaries rechargeable expenses				7,766,018								7,766,018
Interest Income						10,198,584	6,115,828					16,314,412

**ITNL INTERNATIONAL DMCC, DUBAI (Formerly Known as ITNL INTERNATIONAL JLT, DUBAI)**  
**Notes forming part of the Special Purpose Financial Statements**

29. Capital Commitments:	NIL
30. Contingent liabilities and contingent assets	NIL
30.1 Contingent liabilities:	NIL
30.2 Contingent assets	NIL
31. Events after the reporting period:	NIL

**32. Letter of Comfort**

The company has received letter of comfort dated May 2, 2018 which is effective for the period of 12 months from ITNL Transportation Networks Ltd for financial assistance

**33. Audit of Last year Financials**

The last year financials being audited by Deloitte Haskin & Sells LLP

**34. Approval of financial statements**

The Ind AS financial statements were approved for issue by the Board of Directors on May 1 , 2018.

For SBRC & CO LLP  
Chartered Accountants  
ICAI Firm's Registration no. 324982E/E300003

For and on behalf of the Board

Per Nishant Mankodi  
Partner  
Membership No.

Director                      Director

Place : Mumbai  
Date :

Place: Dubai  
Date :