APPAN & LOKHANDWALA ASSOCIATES
Chartered Accountants
402, Shiv Ashish, Plot No. 10, 19th Road, Chembur, Mumbai - 400 071
Phone : 022 - 6117 7600 / 6117 7610 Email : subbu@appanlokhandwala.com
website : www.appanlokhandwala.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Asia Line Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Asia Line Limited ("the Company"), which comprise of the Balance Sheet as at 31 March, 2017, the statement of profit and loss, the statement of changes in equity and the cash flows statement (collectively referred to as 'financial statements') for the year then ended, annexed thereto, and a summary of significant account policies and other explanatory information, prepared in accordance with group accounting policies followed by Allcargo logistics Limited ('ALL') and Allcargo Belgium N.V. ('AB') (the holding companies of the entity). These financial statements have been prepared solely to enable ALL and AB to prepare its consolidated financial statements.

Management's Responsibility for the Financial Statements

2. The Management is responsible for the preparation of the financial statements that give a true and fair view of the financial position, financial performance of the entity in, and a summary of significant accounting policies and other explanatory information, prepared in accordance with group accounting policies followed by ALL and AB. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatements, whether due to fraud or error.

3. The financial statements has been prepared by the management on the basis of instructions received in this regard from ALL and AB solely for use by ALL and AB in preparation of its Consolidated Financial Statements in accordance with the group accounting policies followed by ALL and AB.

Auditors' Responsibility

4. Our responsibility is to express an opinion on these financial statements and other information based on our audit. We conducted the audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

APPAN & LOKHANDWALA ASSOCIATES
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MUMBAI

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the component auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the entity's preparation and presentation of the financial statement that gives true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of information and according to the explanations given to us, the aforesaid financial statements of the entity have been prepared, in all material respects, as established by you, in accordance with group accounting policies followed by ALL and AB and are suitable for inclusion in the Consolidated financial statements of ALL and AB.

Limitation on Use

7. This clearance report is provided to you solely for the information and use by S.R. Batliboi & Associates LLP, Shaparia Mehta & Associates LLP, India and Ernst & Young Bedrijfsrevisoren BCVBA, Belgium to assist them in the audit of the Group financial statements of ALL for the year ended 31 March 2017. It should not be distributed to any other third party.

For Appan & Lokhandwala Associates
Chartered Accountants
ICAI Registration no – 117040W

Shivraj R. Padayachi
Partner
M.No. 127317

Place: Mumbai
Date: 19th May 2017

APPAN & LOKHANDWALA ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI

Asia Line Limited
Balance sheet as at 31 March 2017
(Currency: AED, except share data)

	Notes	31 March 2017	31 March 2016	31 March 2015
Assets				
Non-current assets				
Property, plant and equipment (net)	2	1,530,535	1,660,663	1,790,791
Financial assets				
Long term loans	3.1	11,117	11,117	15,621,394
Other financial assets	3.2	3,675,568	3,675,568	3,675,568
Total - Non-current assets		**5,217,220**	**5,347,348**	**21,087,753**
Current assets				
Financial assets				
Investments	4.1	-	-	15,000
Short term loans	4.2	376,775	227,472	22,721,483
Trade receivables	4.3	2,217,000	2,659,907	663,107
Cash and cash equivalents	4.4	26,588	207,488	51,986
Other financial assets	4.5	1,468,000	1,468,000	1,508,047
Total - Current assets		**4,088,363**	**4,562,867**	**24,959,623**
Total Assets		**9,305,583**	**9,910,215**	**46,047,376**
Equity and Liabilities				
Equity				
Equity share capital	5	11,052,000	11,052,000	11,052,000
Other equity	6	(7,964,968)	(5,236,083)	531,239
Equity attributable to equity holders of the parent		**3,087,032**	**5,815,917**	**11,583,239**
Non-controlling interests		-	-	-
Total Equity		**3,087,032**	**5,815,917**	**11,583,239**
Non-current liabilities				
Financial liabilities				
Borrowings	7	-	-	15,610,277
Total - Non-current liabilities		**-**	**-**	**15,610,277**
Current liabilities				
Financial liabilities				
Borrowings	7	6,055,236	3,965,848	8,790,085
Trade payables	8.1	7,340	9,175	7,340
Other payables	8.2	155,975	119,275	122,622
Other financial liabilities	9	-	-	9,933,813
Total - Current liabilities		**6,218,551**	**4,094,298**	**18,853,860**
Total equity and liabilities		**9,305,583**	**9,910,215**	**46,047,376**

Significant accounting policies 1
Notes to the financial statements

The notes referred to above are an integral part of these financial statements

As per our report of even date attached

For Appan & Lokhandwala Associates
ICAI firm registration No.117040W
Chartered Accountants

Raday

Shivraj R. Padayachi
Partner
Membership No.127317

Place : Mumbai
Date: 19th May 2017

APPAN & LOKHANDWALA ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI

For and on behalf of Board of directors of
Asia Line Limited

I. Annyanarayanan
Director
Place : MUMBAI
Date : 19th May 2017

Director
Place : DUBAI
Date : 14th May 2017

Asia Line Limited
Statement of Profit and Loss for the year ended 31 March 2017
(Currency: AED, except share data)

	Notes	31 March 2017	31 March 2016
Continuing Operations			
Income			
Revenue from operations	10	-	2,202,000
Finance income	11	-	459,205
Total income		**-**	**2,661,205**
Expenses			
Cost of services rendered	12	-	2,211,379
Depreciation and amortisation expenses	13	130,128	130,128
Finance costs	14	36,700	751,356
Other expenses	15	2,562,057	5,335,664
Total expenses		**2,728,885**	**8,428,527**
Profit before share of profit of associates and joint ventures and tax from continuing operations		**(2,728,885)**	**(5,767,322)**
Share of profits of associates and joint ventures		-	-
Profit before tax		**(2,728,885)**	**(5,767,322)**
Tax expense:		-	-
Profit for the year from Continuing Operation (i)		**(2,728,885)**	**(5,767,322)**
Profit for the year (A)		**(2,728,885)**	**(5,767,322)**
Other Comprehensive Income for the year, net of tax (B)		-	-
Total Comprehensive income for the year, net of tax (A) + (B)		**(2,728,885)**	**(5,767,322)**
Profit attributable to:			
- Equity holders of the parent		(2,728,885)	(5,767,322)
- Non-controlling interests		-	-
Total comprehensive income attributable to:			
- Equity holders of the parent		(2,728,885)	(5,767,322)
- Non-controlling interests		-	-
Earnings per equity share (nominal value of Euro 100 each)			
Basic and diluted		(135.56)	(286.49)
Significant accounting policies	1		
Notes to the financial statements			

The notes referred to above are an integral part of these financial statements

As per our report of even date attached

For Appan & Lokhandwala Associates
ICAI firm registration No.117040W
Chartered Accountants

Shivraj R. Padayachi
Partner
Membership No.127317

Place : Mumbai
Date: 19th May 2017

APPAN & LOKHANDWALA ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI

For and on behalf of Board of directors of
Asia Line Limited

S. Annamalai Narayanan
Director

Place : MUMBAI
Date : 19th May 2017

Director

Place : DUBAI
Date : 14th May 2017

Asia Line Limited
Statement of Cash Flows for the period ended 31 March 2017
(Currency: AED, except share data)

	Notes	31 March 2017	31 March 2016
Operating activities			
Profit before tax from continuing operations		(2,728,885)	(5,767,322)
Profit before tax from discontinued operations		-	-
Profit before tax		(2,728,885)	(5,767,322)
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment		130,128	130,128
Finance costs		36,700	751,356
Interest Income		-	(459,205)
Working capital adjustments:			
Decrease / (increase) in trade receivables		442,907	(1,996,800)
Decrease / (increase) in other current and non current assets		-	40,047
(Decrease)/ Increase in trade payables, other current and non current liabilities		34,865	(1,512)
(Decrease)/ Increase in provisions		-	-
Cash generated from operating activities		(2,084,285)	(7,303,308)
Income tax paid (including TDS) (net)		-	-
Net cash flows from operating activities (A)		**(2,084,285)**	**(7,303,308)**
Investing activities			
Sale of current investments		-	15,000
Received (Payment/Receipt of loans / advances from fellow subsidiaries (net)		(149,302)	38,104,291
Interest income received		-	459,205
Net cash flows from / (used in) investing activities (B)		(149,302)	38,578,496
Financing activities			
Repayment of long term borrowings		-	(25,544,090)
Proceeds from short term borrowings		2,532,194	3,547,606
Repayment of short term borrowings		(442,808)	(8,371,846)
Finance costs		(36,700)	(751,356)
Net cash flows from / (used in) financing activities (C)		**2,052,686**	**(31,119,686)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**(180,901)**	**155,502**
Opening balance of cash and cash equivalents (refer note 4.4)		207,488	51,986
Cash and cash equivalents at the end		**26,588**	**207,488**

As per our report of even date attached

For Appan & Lokhandwala Associates
ICAI firm registration No.117040W
Chartered Accountants

Shivraj R. Padayachi
Partner
Membership No.127317

Place : Mumbai
Date: 19th May 2017

APPAN & LOKHANDWALA ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI

For and on behalf of Board of directors of
Asia Line Limited

Director
Place : MUMBAI
Date : 19th May 2017

Director
Place : DUBAI
Date : 14th May 2017

Asia Line Limited
Statement of Changes in Equity for the year ended 31 March 2017
(Currency: AED, except share data)

(A) Equity Share Capital:

Ordinary shares of Euro 100 each issued, subscribed and fully paid	No.	Amount
At 1 April 2015	20,131	11,052,000
Issue of share capital (Note 5)	-	-
At 31 March 2016	20,131	11,052,000
Issue of share capital (Note 5)	-	-
At 31 March 2017	20,131	11,052,000

(B) Other Equity:

For the year ended 31 March 2017

Particulars	Reserves & Surplus Balance in Statement of Profit and Loss (Note 6)	Total equity
As at 31st March 2016	-5,236,083	-5,236,083
Additions during the period	-2,728,885	-2,728,885
Total comprehensive income	-7,964,968	-7,964,968
As at 31 March 2017	-7,964,968	-7,964,968

For the year ended 31 March 2016

Particulars	Reserves & Surplus Balance in Statement of Profit and Loss (Note 6)	Total equity
As at 1st April 2015	531,239	531,239
Additions during the period	-5,767,322	-5,767,322
Total comprehensive income	-5,236,083	-5,236,083
As at 31 March 2016	-5,236,083	-5,236,083

As per our report of even date attached

For Appan & Lokhandwala Associates
ICAI firm registration No.117040W
Chartered Accountants

Shivraj R. Padayachi
Partner
Membership No.127317

Place : Mumbai
Date: 19th May 2017

LOKHANDWALA ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

For and on behalf of Board of directors of
Asia Line Limited

Director
Place : MUMBAI
Date : 19th May 2017

Director
Place : DUBAI
Date : 14th May 2017

1. Significant accounting policies

1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (the '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 accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 21 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value or revalued amount.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in AED and are rounded to the nearest AED except, when otherwise indicated.

1.2 Summary of significant accounting policies

a. Investments in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Company's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Company's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.
After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Company determines whether there

is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

b. Use of estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

c. Current versus non-current classification

The Company presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Foreign currencies:

The Company's financial statements are presented in AED

Transaction and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contracts is amortised and recognised as an expense / income over the life of the contract. Exchange difference on such contracts are recognised in the consolidated profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as an expense for the period.

e. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each consolidated balance sheet.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 40)
- Quantitative disclosures of fair value measurement hierarchy (note 41)

- Investment in unquoted equity shares (discontinued operations) (note 20)
- Property, plant and equipment under revaluation model (note 3)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 7)

f. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The amount recognised as revenue is exclusive of service tax / sales tax / VAT.

Project and equipment income:

Revenue for project division includes rendering of end to end logistics services comprising of activities related to consolidation of cargo, transportation, freight forwarding and customs clearance services. Income and fees are recognized on percentage of completion method. Percentage of completion is arrived at on the basis of proportionate costs incurred to date of total estimated costs, milestones agreed or any other suitable basis, provided there is a reasonable completion of activity and provision of services.

Equipment division earns revenue from hiring of cranes, trailers and other fleets. Income from hiring of fleets is recognised on the basis of actual usage of the fleets basis the contractual terms.

Others:

Reimbursement of cost is netted off with the relevant expenses incurred, since the same are incurred on behalf of the customers.

Interest income is recognised on time proportion basis.

Dividend income is recognised when the right to receive the payment is established by the balance sheet date.

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

g. Non-current assets held for sale / discontinued operations:

The Company classifies non-current assets and disposal Companys as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal Company is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal Companys), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal Companys are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the consolidated balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal Company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit and loss.

Additional disclosures are provided in Note 20. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

h. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The Company adjusts entire exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. The Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation

The Company provides depreciation on propery, plant and equipment using the Straight Line Method, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The management has estimated the useful lives of all its tangible assets (other than some assets classified under "Heavy Equipment", "Office Equipment") as per the useful life specified in Part 'C' of Schedule II to the Act.

The Company has used the following rates to provide depreciation on the tangible assets:

Category	**Useful lives (in years)**
Building	20

Tangible assets held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the consolidated statement of profit and loss.

i. 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 Companys 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 after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the consolidated statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Provisions

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the consolidated balance sheet date. These are reviewed at each consolidated balance sheet date and adjusted to reflect the current best estimates.

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 that is not recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

k. 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.

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

a. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables..

b. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, 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 P&L, 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 P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables.

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the consolidated statement of profit and loss. In consolidated balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

~~The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts,~~ financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.
This category generally applies to borrowings. For more information refer Note 14.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

l. Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

m. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in the Cash flow statement.

Asia Line Limited
Notes to the financial statements as at and for the year ended 31 March 2017
(Currency: AED, except share data)

2 Property, Plant and Equipment

Description	Building	Total
Cost or Valuation		
Balance as at 01 April 2015	2,602,394	2,602,394
Additions	-	-
Disposals	-	-
Discontinued operations		
Exchange differences		-
Balance as at 31 March 2016	2,602,394	2,602,394
Additions	-	-
Disposals	-	-
Discontinued operations		
Exchange differences		-
Balance as at 31 March 2017	**2,602,394**	**2,602,394**
Depreciation and impairment		
Balance as at 01 April 2015	811,603	811,603
Depreciation for the year	130,128	130,128
Disposals	-	-
Discontinued operations		
Exchange differences		-
Balance as at 31 March 2016	941,731	941,731
Depreciation for the year	130,128	130,128
Disposals	-	-
Discontinued operations	-	-
Exchange differences		-
Balance as at 31 March 2017	**1,071,859**	**1,071,859**
Net Block		
As at 31 March 2016	1,660,663	1,660,663
As at 31 March 2017	**1,530,535**	**1,530,535**

(Currency: AED, except share data)

3 Financial Assets

3.1 Long term loans

	Non-current portion			Current portion		
	31 March 2017	31 March 2016	31 March 2015	31 March 2017	31 March 2016	31 March 2015
Unsecured, considered good						
To related parties						
Loans to Fellow Subsidiaries		11,117	15,621,394	-	-	9,933,813
Loans to Holding Company	11,117					
	11,117	11,117	15,621,394	-	-	9,933,813
Total Loans	11,117	11,117	15,621,394	-	-	9,933,813

3.2 Other Financial assets

	Non-current portion			Current portion		
	31 March 2017	31 March 2016	31 March 2015	31 March 2017	31 March 2016	31 March 2015
To parties other than related parties						
Unsecured, considered good						
Inter corporate deposits	3,675,568	3,675,568	3,675,568			
Total Other long-term financial assets	3,675,568	3,675,568	3,675,568	-	-	-

4 Financial assets

4.1 Current investments

(valued at lower of cost and fair value, unless stated otherwise)

	31 March 2017	31 March 2016	31 March 2015
Investments at fair value through P&L (fully paid)			
Unquoted equity instruments (fully paid-up)			
Nil (2016 - Nil, 2015 -30) Equity shares (fully paid up) of Love All Sport Holdings FZE of AED 500 each			15,000
Total Unquoted investments	-	-	15,000
Aggregate book value of investments	-	-	15,000

4.2 Short term loans

	31 March 2017	31 March 2016	31 March 2015
Current portion of long-term loans (refer note 9)			
To related parties	-	-	9,933,813
To related parties			
Loans to associate	-	-	8,057,777
Loans to fellow subsidiaries			4,283,632
Other advances to Fellow Subsidiaries	376,775	227,472	446,261
Total Loans	376,775	227,472	22,721,483

4.3 Trade receivables

	31 March 2017	31 March 2016	31 March 2015
Trade receivables			
Receivables from other related parties (refer note 20)	2,202,000	2,644,907	663,107
Total trade receivables	2,202,000	2,644,907	663,107
Break-up for security details and more than 6 months overdue:			
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	2,217,000	442,907	442,907
	2,217,000	442,907	442,907
Allowance for doubtful debts	-	-	-
	2,217,000	442,907	442,907
Other receivables			
Unsecured, considered good	-	2,217,000	220,200
	-	2,217,000	220,200
Allowance for doubtful debts	-	-	-
	-	2,217,000	220,200
Total Trade receivables	2,217,000	2,659,907	663,107

(Currency: AED, except share data)

4.4 Cash and bank balances

	31 March 2017	31 March 2016	31 March 2015
Cash and cash equivalents			
Balances with banks			
- On current accounts	26,588	207,488	51,986
Total Cash and cash equivalents	26,588	207,488	51,986

Cash at bank held in current accounts is non-interest bearing.

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

	31 March 2017	31 March 2016	31 March 2015
Balances with banks:			
- On current accounts	26,588	207,488	51,986
	26,588	207,488	51,986

4.5 Other Financial assets

	31 March 2017	31 March 2016	31 March 2015
To related parties			
Interest accrued and due on loans given			40,047
To parties other than related parties			
Advance towards share application money	1,468,000	1,468,000	1,468,000
	1,468,000	1,468,000	1,508,047
Total Other Financial assets	1,468,000	1,468,000	1,508,047

5 Share capital

Authorised capital:

	Ordinary shares	
	Number	Amount
At 01 April 2015	30,000	16,470,000
Increase / (decrease) during the year	-	-
At 31 March 2016	30,000	16,470,000
Increase / (decrease) during the year	-	-
At 31 March 2017	30,000	16,470,000

Terms/ rights attached to ordinary shares

The Company has a single class of ordinary shares. Accordingly, all ordinary shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid up ordinary share capital of the Company.

In the event of liquidation of the Company, the holders of ordinary 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 ordinary shares held by the shareholders.

Issued Ordinary share capital:

	Issued ordinary share capital	
Issued, subscribed and fully paid-up:	Number	Amount
At 1 April 2015	20,131	11,052,000
Changes during the period	-	-
At 31 March 2016	20,131	11,052,000
Changes during the period	-	-
At 31 March 2017	20,131	11,052,000

(i) Details of shareholders holding more than 5% shares of a class of shares

	As at 31 March 2017		As at 31 March 2016	
Name of shareholders	Number	% holding in the class	Number	% holding in the class
Ordinary shares of Euro 100 each fully paid				
Ecu Hold NV	20,131	100	-	-
Allcargo Logistics Ltd.	-	-	20,131	100

(ii) Reconciliation of number of the equity shares and preference shares outstanding at the beginning and at the end of the year:

	As at 31 March 2017		As at 31 March 2016	
Equity Shares	Number	Amount	Number	Amount
At the beginning of the year	20,131	11,052,000	20,131	11,052,000
Issued during the period - Bonus shares	-	-	-	-
Outstanding at the end of the year	20,131	11,052,000	20,131	11,052,000

(iii) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date is Nil

(iv) Distribution made and proposed is Nil

(Currency: AED, except share data)

6 Other equity

Foreign currency monetary item translation difference account			Amount in Rs
At 31 March 2015			1,756,795
Changes during the period			(473,951)
Less:-Amortisation			(1,282,843)
At 31 March 2016			0
Changes during the period			-
At 31 March 2017	(I)		0
Foreign currency monetary item translation difference account			Amount in Rs
At 31 March 2015			(1,756,795)
Changes during the period			473,951
Less:-Amortisation			1,282,843
At 31 March 2016			(0)
Changes during the period			-
At 31 March 2017	(II)		(0)
Surplus in Statement of profit & loss account			Amount in Rs
At 31 March 2015			531,239
Add: Loss during the year			(5,767,322)
Add: OCI			-
Less : Appropriations			-
At 31 March 2016			(5,236,083)
Add: Loss during the year			(2,728,885)
Add: OCI			-
Less : Appropriations			-
Total appropriations			-
Net Surplus in the statement of profit & loss account	(III)		(7,964,968)
Total reserves and surplus		(I+II+III)	(7,964,968)

(Currency: AED, except share data)

7 Borrowings

	Effective interest rate %	Maturity	31 March 2017	31 March 2016	31 March 2015
Non-current borrowings					
Borrowings (secured)					
Term loan from banks	-	-	-	-	15,610,277
Total non-current borrowings			-	-	15,610,277
Current maturities of long term borrowings					
Borrowings (secured)					
Term loan from banks	-	-	-	-	9,933,813
Total non-current borrowings (Current Portion)			-	-	9,933,813
Current borrowings (Unsecured)					
From Related Party	-	-	6,055,236	3,965,848	8,790,085
			6,055,236	3,965,848	8,790,085
Aggregate secured loans			-	-	-
Aggregate unsecured loans			-	-	-

Bank Loan

Term loan from banks in March 2015 is secured against Stand-by letter of credit & corporate guarantee by Allcargo Logistics Limited

8.1 Trade payables

	31 March 2017	31 March 2016	31 March 2015
Trade payables	7,340	9,175	7,340
Trade payables to related parties	-	-	-
	7,340	9,175	7,340

8.2 Other payables

	31 March 2017	31 March 2016	31 March 2015
Interest accrued and due on borrowings			
- Related party	155,975	119,275	82,575
- Other than related party	-	-	40,047
	155,975	119,275	122,622

9 Other financial liabilities

	Non-current portion			Current portion		
	31 March 2017	31 March 2016	31 March 2015	31 March 2017	31 March 2016	31 March 2015
Other financial liabilities at amortised cost						
Current maturity of long term loans (refer note 4.2)				-	-	9,933,813
Total other financial liabilities	-	-	-	-	-	9,933,813

(Currency: AED, except share data)

10 Revenue from operations

	31 March 2017	31 March 2016
Sale of services		
Project and engineering solutions	-	2,202,000
Total revenue	-	**2,202,000**

11 Finance income

	31 March 2017	31 March 2016
Interest income on		
- loan given to other parties	-	459,205
	-	459,205

12 Cost of services rendered

	31 March 2017	31 March 2016
Project and engineering solutions expenses		
Project operating and hiring expenses	-	2,211,379
	-	**2,211,379**

13 Depreciation and amortisation

	31 March 2017	31 March 2016
Depreciation of property, plant and equipment (note 2)	130,128	130,128
	130,128	**130,128**

14 Finance costs

	31 March 2017	31 March 2016
Interest expense		
Foreign currency term loan	36,700	495,905
Others	-	255,451
	36,700	**751,356**

15 Other expenses

	31 March 2017	31 March 2016
Marketing and Business promotion charges	2,532,319	5,305,278
Rates and taxes	10,428	10,681
Office expenses	125	
Payment to auditors	7,340	9,175
Bank charges	11,128	8,079
Forex exchange gain/loss (net)	717	2,451
	2,562,057	**5,335,664**

Payments to the auditor:	**31 March 2017**	**31 March 2016**
As auditor		
Audit fee	7,340	9,175
	7,340	**9,175**

(Currency: AED, except share data)

16 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Ordinary shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Ordinary shares outstanding during the year plus the weighted average number of Ordinary shares that would be issued on conversion of all the dilutive potential Ordinary shares into Ordinary shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2017	31 March 2016
Profit / (Loss) attributable to equity holders:		
Continuing operations	(2,728,885)	(5,767,322)
Discontinued operation	-	-
Profit attributable to equity holders for basic earnings:	**(2,728,885)**	**(5,767,322)**
Weighted average number of Equity shares for basic EPS	**20,131**	**20,131**
Basic and diluted EPS	**(136)**	**(286)**

To calculate the EPS for discontinued operation, the weighted average number of Equity shares for both the basic and diluted EPS is as per the table above. The following table provides the profit/(loss) amount used:

	31 March 2017	31 March 2016
Profit/(loss) from discontinued operation for the basic and diluted EPS calculations	-	-

17 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Company financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Company financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 6.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 40 and 41 for further disclosures.

(Currency: AED, except share data)

18 **Commitments and contingencies is Nil**

19

a. Earnings in Foreign Currency	**31 March 2017**	**31 March 2016**	**01 April 2015**
Revenue from operations			
- Multi-modal transport operations			
- Project and engineering solutions	-	2,202,000	220,200
Other income			
- Business support charges			
- Management Fees			
- Corporate guarantee Fees			
- Interest Income	-	459,205	1,631,770
	-	2,661,205	1,851,970

b. Expenditure in Foreign Currency	**31 March 2017**	**31 March 2016**	**01 April 2015**
Professional and consultation fees			
Others:			
(a) Operating expenses			
- Project and engineering solutions	-	2,211,379	235,826
(b) Marketing and Business promotion charges	2,532,319	5,305,278	-
(c) Interest Expenses	36,700	751,356	1,802,302
(d) Travel expenses			
(e) Other expenses	21,682	30,385	13,703
	2,590,700	8,298,397	2,051,831

(Currency: AED, except share data)

20 Related party transactions

Note 32 provides the information about the Group's structure including the details of the subsidiaries and the Holding Company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Other related parties

I. Holding Company
Allcargo Logistics Limited
Ecu Hold NV From Dtd.31.03.2017

II. Fellow subsidiaries
Credo Shipping Agencies (I) Private Limited (100% Subsidiary w.e.f 5th October 2011). The Company has been struck off and dissolved on 24th January 2016.
Hindustan Cargo Ltd.
Contech Transport Services Pvt. Ltd.
Ecu Line (India) Pvt. Ltd.
Allcargo Shipping Co.Pvt.Ltd.
South Asia Terminals Pvt.Ltd.
Southern Terminals & Trading Pvt. Ltd.
AGL Warehousing Pvt. Ltd.
Allcargo Logistics Park Pvt.Ltd.
Ecu International (Asia) Pvt. Ltd.
Comptech Solutions Pvt.Ltd.
Amfin Consulting Pvt. Ltd.
Transindia Logistic Park Pvt Ltd.
Combi Line Indian Agencies Pvt. Ltd.
Acex Logistics Limited (formerely known as HC Logistics Ltd.)
Credo Shipping Agencies (I) Pvt. Ltd.
Avvashya CCI Logistics Private Limited (w.e.f 29th June 2016)
Ecu-Line Algerie sarl
Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA)
Ecu Worldwide Australia Pty Ltd (formerly known as Ecu-Line Australia Pty Ltd.)
Integrity Enterprises Pty Ltd.
Ecu Worldwide (Belgium) (formerly known as Ecu-Line N.V)
Ecu-Logistics N.V.
FMA-LINe Holding N. V. (formerelyknown Ecubro N.V.)
Ecu-Tech bvba
Ecuhold N.V.
Ecu International N.V.
Ecu Global Services n.v.
HCL Logistics nv
European Customs Brokers N.V.
AGL N.V.
Allcargo Belgium N.V.
Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.)
Ecu-Line Bulgaria EOOD
Ecu Worldwide (Canada) Inc. (foremerly known as Ecu-Line Canada Inc).
Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A)
Flamingo Line Chile S.A.
Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd)
China Consolidation Services Shipping Ltd
Ecu Worldwide China (Shanghai) Ltd (formerly known as China Consolidation Services Ltd.)
Ecu Worldwide (Colombia) S.A.S.(formerly known as Ecu-Line de Colombia S.A.S)
Ecu Worldwide Costa Rica S.A.(formerly known as Conecli International S.A)
Ecu Worldwide (Cyprus) Ltd.(formerly known as Ecu-Line Mediterranean Ltd.)
ECU WORLDWIDE (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o).
Ecu - Worldwide - (Ecuador) S.A.(formerly known as Ecu-Line del Ecuador S.A.)
Flamingo Line del Ecuador SA
Ecu World Wide Egypt Ltd (formerly known as Ecu Line Egypt Ltd.)
Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV (formerly known as Flamingo Line El Salvador SA de CV)
ECU WORLDWIDE (Germany) GmbH (formerly known as Ecu-Line Germany GmbH)
ELWA Ghana Ltd.
Ecu Worldwide (Guatemala) S.A.(formerly known as Flamingo Line de Guatemala S.A.)
Ecu Worldwide (Hong Kong) Ltd.(formerly known as Ecu-Line Hong Kong Ltd.)
Ecu International Far East Ltd.
CCS Shipping Ltd.
Ecu-Line Hungary Kft.
PT EKA Consol Utama Line
Ecu Worldwide Italy S.r.l. (formerly known as Ecu-Line Italia srl.)
Eurocentre Milan srl.
Ecu Worldwide (Cote d'Ivoire) sarl (formerly known as Ecu-Line Côte d'Ivoire Sarl)
Ecu Worldwide (Japan) Ltd.(formerly known as Ecu-Line Japan Ltd.)
Jordan Gulf for Freight Services and Agencies Co. LLC
Ecu Worldwide (Kenya) Ltd (formerly known as Ecu-Line Kenya Ltd.)
Ecu Shipping Logistics (K) Ltd.
Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia Sdn. Bhd.)
Ecu-Line Malta Ltd.
Ecu Worldwide (Mauritius) Ltd.(formerly known as Ecu-Line Mauritius Ltd.)
CELM Logistics SA de CV
Ecu Worldwide Mexico (formerly known as Ecu Logistics de Mexico SA de CV)
Ecu Worldwide Morocco (formerly known as Ecu-Line Maroc S.A.)
Ecu Worldwide (Netherlands) B.V.(Ecu-Line Rotterdam BV)
Rotterdam Freight Station BV
FCL Marine Agencies B.V.
Ecu Worldwide New Zealand Ltd (formerly known as Ecu-Line NZ Ltd.)
Ecu Worldwide (Panama) S.A (formerly known as Ecu-Line de Panama SA)
Ecu-Line Paraguay SA
Flamingo Line del Peru SA
Ecu-Line Peru SA
Ecu Worldwide (Philippines) Inc.(formerly known as Ecu-Line Philippines Inc.)
Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu-Line Polska SP. Z.o.o.)
Ecu-Line Doha W.L.L.
Ecu Worldwide Romania SRL (formerly known as Ecu-Line Romania SRL)
Ecu-Line Saudi Arabia LLC
Ecu - Worldwide (Singapore) Pte. Ltd (formerly known as Ecu-Line Singapore Pte. Ltd.)
Ecu Worldwide (South Africa) Pty Ltd (formerly known as Ecu-Line South Africa (Pty.) Ltd.)
Ecu-Line Spain S.L.
Mediterranean Cargo Center S.L. (MCC)
ECU Worldwide Lanka (Private) Ltd. (foremerly known as Ecu Line Lanka (Pvt) Ltd.)
Ecu-Line Switzerland GmbH
Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.)
Société Ecu-Line Tunisie Sarl
Ecu Worldwide Turkey Taşımacılık Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)
Ecu-Line Middle East LLC
Ecu-Line Abu Dhabi LLC
Eurocentre FZCO
China Consolidated Company Ltd.
Star Express Company Ltd.
Ecu Worldwide (UK) Ltd (formerly known as Ecu-Line UK Ltd)
S.H.E. Maritime Services Ltd.
Ecu Worldwide (Uruguay) S.A. (formerly known as DEOLIX S.A.)
CLD Compania Logistica de Distribucion SA
Guldary S.A.
PRISM GLOBAL, LLC
Econocaribe Consolidators, Inc.
Econoline Storage Corp.
ECI Customs Brokerage, Inc.
OTI Cargo, Inc.
Ports International, Inc.

20 **Related party transactions (Continued)**

Administradora House Line C.A.
Consolidadora Ecu-Line C.A.
Ecu Worldwide Vietnam Co., Ltd.(formerly known as Ecu-Line Vietnam Co.Ltd)
Ocean House Ltd.
Ecu-Line Zimbabwe (Pvt) Ltd.
Asia Line Ltd
Contech Transport Services (Pvt) Ltd
Prism Global Ltd. (Foremerely known as Ecu Line Ltd)
FMA-LINE France S.A.S.
Cargo Freight Station S.A.
Allcargo Logistics LLC
Eculine Worldwide Logistics Co. Ltd.
FMA-LINE Nigeria Ltd.
Ecu Worldwide (Uganda)
Allcargo Logistics Lanka (Private) Limited
FMA Line Agencies Do Brasil Ltda.
FCL Marine Agencies Belgium bvba

III. Key managerial personnel

S. Suryanarayanan
Amjad Shaikh

Sr No	Nature of transaction	Holding company Allcargo Belgium NV From 30.03.2017	Holding company Ecu Hold NV From 30.03.2017	Holding company Allcargo Logistics Limited			Fellow Subsidiaries			Associate Love All Sports Holdings FZE			Total		
				31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-17	31-Mar-16	31-Mar-15
1	Project and engineering solution income					-	-	2,202,000	220,200			-	-	2,202,000	220,200
2	Interest expenses				255,451	133,830	36,700	36,700	36,700			-	36,700	292,151	170,530
3	Interest income					-	-	459,205	1,631,772			-	-	459,205	1,631,772
4	Loans payable														
	Opening balance				8,371,843	-	3,965,848	418,244	418,244			-	3,965,848	8,790,085	418,242
	Add Loans taken					8,371,843	2,532,197	3,547,604				-	2,532,197	3,547,606	8,371,843
	Less : Loans repaid				8,371,843	-	442,809	-	-			-	442,809	8,371,843	-
	Add:- Transferred From Fellow Subsidiary		6,099,943										6,099,943		
	Less:- Transferred to Holding Company						5,099,943						5,099,943		
	Closing balance		6,099,943		-	8,371,843	955,263	3,965,846	418,744			-	6,055,206	3,965,843	8,790,085
5	Loans receivable														
	Opening balance					-	11,117	29,638,839	43,191,354		8,057,778	-	11,117	37,696,617	43,191,354
	Add : Loans given					-	-	7,966,677	3,573,611		-	8,057,778	-	7,986,577	11,631,389
	Less : Loans received back					-	-	37,814,299	16,926,326		8,057,778	-	-	45,872,077	16,926,326
	Add:- Transferred From Fellow Subsidiary	11,117											11,117		
	Less:- Transferred to Holding Company						11,117						11,117		
	Closing balance	11,117				-	(0)	11,117	29,638,839		-	8,057,778	11,117	11,117	37,896,617
6	Advances receivable					-									
	Opening balance					-	227,472	446,261	6,656			-	227,472	446,261	6,656
	Add : Advances given					-	149,303	7,048,337	439,605			-	149,303	7,048,337	439,605
	Less : Advances received back					-	-	7,267,125	-			-	-	7,267,125	-
	Closing balance					-	376,775	227,472	446,261			-	376,775	227,472	446,261
7	Investments														
	Opening balance					-			-		15,000	-	-	15,000	-
	Add : Invested during the year					-			-		-	15,000	-	-	15,000
	Less : Diminution					-			-		-	-	-	-	-
	Less : Investment Written Off					-			-		15,000	15,000	-	15,000	15,000
	Closing balance										-		-	-	-
8	Outstanding receivable														
	Sundry debtors					-	2,202,000	2,644,907	663,107			-	2,202,000	2,644,907	663,107
9	Outstanding payable					-			-			-	-	-	-
	Interest payable					-	155,975	119,275	82,575			-	155,975	119,275	82,575

Details of Material Related Party Transaction Which are more than 10% of the total transaction of the same nature during the year ended 31st March 2017.

Sr.No.	Related Party Transaction Summary	31 March 2017	31 March 2016	31 March 2015
1	**Project and Engineering Solution Income**			
	China Consolidation Services Company Ltd	-	2,202,000	220,200
2	**Interest Expenses**			
	Ecu International Far East Ltd	36,700	36,700	36,700
	Allcargo Logistics Limited	-	255,461	133,830
3	**Interest Income**			
	Allcargo Belgium N.V.	-	459,205	1,631,772
4	**A) Loans taken**			
	Ecu International Far East Ltd.			
	ECU Hold NV	2,632,197	2,709,200	-
	Ecu International NV	-	758,404	-
	Allcargo Logistics Limited	-	-	8,371,843
	B) Loans repaid			
	ECU Hold NV	221,454	-	-
	Ecu International NV	221,355	-	-
	Allcargo Logistics Limited	-	8,371,843	-
	C) Loans payable closing balance			
	Ecu International Far East Ltd.	418,242	418,242	418,242
	ECU Hold NV	5,099,943	2,709,200	-
	Ecu International NV	[illegible]	758,400	
	Allcargo Logistics Limited	-	-	8,371,843
5	**A) Loans given**			
	Loan to Associate (Love All Sport)	-	-	8,057,778
	Ecu International NV	-	7,487,326	2,936,000
	Ecu Line Saudi - Loan	-	-	18,521
	China Consolidation Service-Rak	-	-	-
	Allcargo Belgium	-	459,262	619,290
	B) Loans received back			
	Loan to Associate (Love All Sport)	-	8,057,778	-
	Ecu International NV		7,670,826	2,936,000
	Ecu Line Saudi - Loan	-	222,500	183,038
	China Consolidation Service-Rak	-	3,877,632	-
	Allcargo Belgium	-	26,043,342	13,807,288
	C) Loans receivable closing balance			
	Loan to Associate (Love All Sport)	-	-	8,057,778
	Ecu International NV	-	-	183,500
	Ecu Line Saudi - Loan	-	-	222,500
	China Consolidation Service-Rak	-	-	3,877,632
	Allcargo Belgium	11,117	11,117	25,655,207
6	**A) Advances given**			
	Advance Share Application Money - Allcarg LLC	-	-	-
	China Consolidation Services	149,303	7,032,940	432,856
	Star Express Company Limited	-	15,397	6,749
	B) Advances received back			
	China Consolidation Services	-	7,707,625	-
	C) Advances receivable closing balance			
	Advance Share Application Money - Allcarg LLC	163,670	163,670	163,670
	China Consolidation Services	175,862	26,559	260,745
	Star Express Company Limited	47,243	47,243	31,846
7	**Outstading Receivable**			
	China Consolidation Services	2,202,000	2,644,907	663,107
8	**Outstading Payable**			
	Ecu International Far East Ltd.	155,975	119,275	82,575

21 First-time adoption of Ind AS

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

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 Group's opening balance sheet was prepared as at 1 April 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group 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.

There is no Adjustments pertaining to IND AS and hence comparative figures vis a vis IGAAP is not required to be given

Estimates

The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTOCI – unquoted equity shares
- FVTOCI – debt securities
- Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2015, the date of transition to Ind AS and as of 31 March 2016.

Asia Line Limited
Notes to the financial statements as at and for the year ended 31 March 2017
(Currency: AED, except share data)

22. Reconciliation of equity as at 1 April 2015 (date of transition to Ind AS) - Continued

	Foot Notes	I GAAP	Adjustments	Ind AS
Other Comprehensive Income:	-	-	-	-
Items that will be reclassified subsequently to profit or loss:				
Exchange difference on translation of foreign operations	-	-	-	-
Income tax effect	-	-	-	-
Items that will not be reclassified subsequently to profit or loss:				
Re-measurement gain/(losses) on defined benefit plans	-	-	-	-
Income tax effect	-	-	-	-
Other Comprehensive Income for the year, net of tax (B)	-	-	-	-
Total Comprehensive income for the year, net of tax (A) + (B)	-	-	-	-

For Appan & Lokhandwala Associates
ICAI firm registration No.117040W
Chartered Accountants

Shivraj R. Padayachi
Partner
Membership No.127317

Place : Mumbai
Date: 19th May 2017

APPAN & LOKHANDWALA ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

For and on behalf of Board of directors of Asia Line Limited

Director | Director

Place : MUMBAI Place : DUBAI
Date : 19th May 2017 Date : 19th May 2017