

# AFCONS INFRASTRUCTURE LIMITED



Registered office: "Afcons House", 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053

Tel.: +91 22 67191000, Fax: +91 2226730027 /1031/0047, Website: www.afcons.com, CIN: U45200MH1976PLC019335

## NOTICE

NOTICE is hereby given that the Forty-Second Annual General Meeting of Afcons Infrastructure Limited will be held on Thursday 27<sup>th</sup> day, of September, 2018 at 4.30 p.m. at Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Andheri (West), Mumbai - 400 053, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a. the audited standalone financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2018, the reports of the Board of Directors and Auditors thereon.
  - b. the audited consolidated financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2018 together with the report of the Auditors thereon.
2. To confirm Interim dividend paid on the Equity shares as final dividend for the financial year 2017-18.
3. To declare dividend on Convertible Preference Shares of the Company.
4. To appoint a Director in place of Mr. Shapoor. P. Mistry (DIN:00010114) who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. K. Subramanian (DIN:00047592) who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS

#### 6. To appoint Branch Auditor of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Board of Directors be and are hereby authorised to appoint any person(s) qualified to act as Branch Auditor within the provisions of Section 143(8) of the Act, as Branch Auditor(s) of any branch office of the Company, whether existing or which may be opened/acquired hereafter, in India or outside India, in consultation with Company's Auditors and on such remuneration as may be fixed by the Audit Committee / Board of Directors of the Company in this behalf."

#### 7. To ratify the remuneration payable to the Cost Auditor for FY 2018-19

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 2,20,000/- excluding out of pocket expenses plus tax payable to M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), who was appointed by the Board of Directors of the Company as the Cost Auditors of the Company to conduct the audit of cost records of the Company for the Financial Year 2018-19, be and is hereby ratified and confirmed."

#### 8. To appoint Mr. K. Subramanian (DIN:00047592) as Whole-Time Director designated as Executive Vice Chairman of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. K. Subramanian, (DIN:00047592) who had been re-appointed as Vice Chairman and Managing Director for a terms of 3 years w.e.f 1<sup>st</sup> July 2017 at the Forty-First Annual General Meeting of the Company held on 27<sup>th</sup> September 2017 has been subsequently appointed as Whole-Time Director of the Company designated as Executive Vice Chairman by the Board of Directors on 30<sup>th</sup> March 2018 for the remaining tenure i.e. up to 30<sup>th</sup> June, 2020, be and is hereby approved by the Company on such terms and conditions including remuneration as set out below and as agreed between the Company and Mr. K. Subramanian, with liberty to the Board of Directors (hereinafter referred to as "**the Board**") which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, vary, revise the terms and conditions or vary the remuneration payable to Mr. K. Subramanian at any time, subject to the same not exceeding the limit specified under section 197, read with Schedule V of the Act.

#### Remuneration:

- a) The basic salary and perquisite shall be determined by the Board of Directors or a Committee thereof from time to time, provided that the aggregate value of salary and perquisite does not exceed ₹ 4,58,00,000/-per annum.

Within the said limit, Mr. K. Subramanian will be entitled to avail of the perquisites under different heads as may be applicable to the other Senior Executives of the Company.

The annual increments, which will be effective from 1<sup>st</sup> July each year, will be decided by the Nomination and Remuneration Committee and/or the Board of Directors in its absolute discretion and will be merit based and will also take into account Company's performance.

- b) In addition to the above, Mr. K. Subramanian shall be entitled to the following benefits:

- (i) Mediclaim Policy for self and family as per rules of the Company. Reimbursement of medical expenses for self and family not exceeding one month's basic salary per annum. Annual executive health check up for self and wife. Family means self, spouse, sons' up to the age of 21 years and unmarried daughters.

## AFCONS INFRASTRUCTURE LIMITED

- (ii) Contribution to Provident Fund, Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (iii) Payments of annual incentive as may be applicable to other senior executives of the Company.

The aforesaid remuneration shall not include the following: -

- (i) Gratuity: As per rules of the Company.
- (ii) Provision of Company maintained car. In the event Company does not provide a driver, Mr. K. Subramanian will be reimbursed such sum as per rules of the Company. However expenses towards use of Car for personal purpose shall be borne by Mr. K. Subramanian.
- (iii) Reimbursement of one telephone bill at residence. However expenses of personal long distance calls shall be borne by Mr. K. Subramanian.
- (iv) Entitlement to Leave as per rules of the Company, and encashment of the leave accumulated but not availed of as per rules of the Company.
- (v) Reimbursement of all entertainment, club and other expenses actually and properly incurred for the business of the Company. Mr. K. Subramanian so long as functions as such, shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

The above remuneration shall, in respect of any financial year, be subject to the limit of 10% (Ten Percent) of the net profits as laid down under section 197 of the Act, for all the whole-time directors or the managing directors or managers taken together and also within the total managerial remuneration limit of 11% (Eleven Percent) of the net profits of the Company as laid down under Section 197 of the Act, payable by the Company to all its directors, including managing directors and whole-time directors and its managers. The net profit for this shall be computed in the manner laid down in section 198 of the Act.

c) Other Material Terms of appointment of Mr. K. Subramanian:

- (i) Subject to superintendence, control and direction of the Board, Mr. K. Subramanian shall exercise such of the powers as are conferred upon him by the Board from time to time.
- (ii) Mr. K. Subramanian shall vacate office of Director in the event of resignation or on the expiry of tenure of his appointment as Executive Vice Chairman or by virtue of vacating the office of Director held by him under Section 167 of the Act.
- (iii) The Agreement with Mr. K. Subramanian may be terminated either by the Company in pursuance of a resolution of the Board of Directors of the Company or by Mr. K. Subramanian by giving three months' notice in writing in that behalf without assigning any reason for such termination. In that event, the party giving notice as aforesaid shall not incur any liability for payment of any compensation by reason of such termination.
- (iv) Mr. K. Subramanian shall keep the secrets of the Company.

**RESOLVED FURTHER THAT** in the event of no profit or inadequacy of profit of the Company in any financial year, during the currency of the tenure of appointment of Mr. K. Subramanian, then the remuneration and perquisite as set out above shall be paid to Mr. K. Subramanian as minimum remuneration, subject to compliance with the necessary provisions of the Schedule V and other provision of the Act and obtaining necessary approvals of applicable authorities as may be required for the payment of the said minimum remuneration.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as it may in its absolute discretion deemed necessary, proper or expedient including but not limited to making of any application to regulatory authorities, execution of necessary documents and to settle and question, difficulties and /or doubt that may arise in this regards in order to implement and give effect to the foregoing resolution."

9. **To appoint Mr. S. Paramasivan (DIN:00058445) as Managing Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. S. Paramasivan (DIN:00058445), who had been re-appointed as Deputy Managing Director for a term of 3 years w.e.f 1<sup>st</sup> July 2017 at the Forty-First Annual General Meeting of the Company held on 27<sup>th</sup> September 2017 has been subsequently appointed as Managing Director of the Company by the Board of Directors on 30<sup>th</sup> March 2018 for the remaining tenure i.e. up to 30<sup>th</sup> June, 2020, be and is hereby approved by the Company on such terms and conditions including remuneration as set out below and as agreed between the Company and Mr. S. Paramasivan, with liberty to the Board of Directors (hereinafter referred to as "**the Board**") which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, vary, revise the terms and conditions or vary the remuneration payable to Mr. S. Paramasivan at any time, subject to the same not exceeding the limit specified under section 197, read with Schedule V of the Act.

**Remuneration:**

- a) The basic salary and perquisite shall be determined by the Board of Directors or a Committee thereof from time to time, provided that the aggregate value of salary and perquisite does not exceed ₹ 3,90,00,000/- per annum.

Within the said limit, Mr. S. Paramasivan will be entitled to avail of the perquisites under different heads as may be applicable to the other Senior Executives of the Company.

The annual increments, which will be effective from 1<sup>st</sup> July each year, will be decided by the Nomination and Remuneration Committee and/or the Board of Directors in its absolute discretion and will be merit based and will also take in to account Company's performance.

b) In addition to the above, Mr. S. Paramasivan shall be entitled to the following benefits:

- (i) Mediciclaim Policy for self and family as per rules of the Company. Reimbursement of medical expenses for self and family not exceeding one month's basic salary per annum. Annual executive health check up for self and wife. Family means self, spouse, sons' up to the age of 21 years and unmarried daughters.
- (ii) Contribution to Provident Fund, Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (iii) Payments of annual incentive as may be applicable to other senior executives of the Company.

The aforesaid remuneration shall not include the following: -

- (i) Gratuity: As per rules of the Company.
- (ii) Provision of Company maintained car. In the event Company does not provide a driver, Mr. S. Paramasivan will be reimbursed such sum as per rules of the Company. However, expenses towards use of Car for personal purpose shall be borne by Mr. S. Paramasivan.
- (iii) Reimbursement of one telephone bill at residence. However, expenses of personal long distance calls shall be borne by Mr. S. Paramasivan.
- (iv) Entitlement to Leave as per rules of the Company, and encashment of the leave accumulated but not availed of as per rules of the Company.
- (v) Reimbursement of all entertainment, club and other expenses actually and properly incurred for the business of the Company. Mr. S. Paramasivan so long as functions as such, shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

The above remuneration shall, in respect of any financial year, be subject to the limit of 10% (Ten Percent) of the net profits as laid down under section 197 of the Act, for all the whole-time directors or managing directors or managers taken together and also within the total managerial remuneration limit of 11% (Eleven Percent) of the net profits of the Company as laid down under Section 197 of the Act, payable by the Company to all its directors, including managing directors and whole-time directors and its managers. The net profit for this shall be computed in the manner laid down in section 198 of the Act.

c) Other Material Terms of appointment of Mr. S. Paramasivan

- (i) Subject to the superintendence, control and direction of the Board, Mr. S. Paramasivan shall exercise such powers as are conferred upon him by the Board from time to time. Mr. S. Paramasivan will have substantial powers of the management and will be responsible for the operations and day to day management of the Company.
- (ii) Mr. S. Paramasivan shall vacate office of Director in the event of resignation or on the expiry of tenure of his appointment as Managing Director or by virtue of vacating the office of Director held by him under Section 167 of the Act.
- (iii) The Agreement with Mr. S. Paramasivan, may be terminated either by the Company in pursuance of a resolution of the Board of Directors of the Company or by Mr. S. Paramasivan by giving three months' notice in writing in that behalf without assigning any reason for such termination. In that event, the party giving notice as aforesaid shall not incur any liability for payment of any compensation by reason of such termination.
- (iv) Mr. S. Paramasivan shall keep the secrets of the Company.

**RESOLVED FURTHER THAT** in the event of no profit or inadequacy of profit of the Company in any financial year, during the currency of the tenure of appointment of Mr. S. Paramasivan, then the remuneration and perquisite as set out above shall be paid to Mr. S. Paramasivan as minimum remuneration, subject to compliance with the necessary provisions of the Schedule V and other provision of the Act and obtaining necessary approvals of applicable authorities as may be required for the payment of the said minimum remuneration.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as it may in its absolute discretion deemed necessary, proper or expedient including but not limited to making of any application to regulatory authorities, execution of necessary documents and to settle and question, difficulties and /or doubt that may arise in this regards in order to implement and give effect to the foregoing resolution.

**10. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of sections 23, 42, 71, 180 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of the Memorandum of Association and Articles of Association of the Company, the consent of the Company be and is hereby accorded to raise ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores only) vide issue of Non-Convertible Debentures/Bonds/other Instruments on private placement basis in one or more tranches during the period of 1 year from the date of passing of this resolution, on such terms and conditions and to such investors as the Board of Directors of the Company (or any duly constituted Committee of the Board of Directors) may determine and consider proper and most beneficial to the Company and that the said borrowing is within the overall borrowing limit of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the Private Placement of Non-Convertible Debentures/Bonds/other Instruments, the Board of Directors of the Company or any duly constituted Committee of the Board of Directors be and are hereby authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be deemed necessary by the Board of Directors, in their absolute discretion for the purpose of issue and allotment of Non-Convertible Debentures/Bonds/other Instruments, including determining terms, identifying investors, exercising call and put option and redemption of Non-Convertible Debentures/Bonds/other Instruments, etc. and to settle all questions, difficulties or doubts that may arise in relation thereto and sign and submit all documents and to complete all formalities and to do all other things necessary, consequential or incidental thereto for the purpose of giving effect to the aforesaid resolution.”

# AFCONS INFRASTRUCTURE LIMITED

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE TIME OF HOLDING THE MEETING.
2. A proxy form of the Annual General Meeting is enclosed. Proxies submitted on behalf of companies, societies, partnership firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organisation.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
4. Members /Proxies attending the meetings are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Corporate members, intending to send their authorised representatives to attend the meeting pursuant to Section 113 of Companies Act, 2013 (“Act”), are requested to send a certified copy of the board resolution authorizing their representative together with the respective specimen signature(s) of those representative(s) to attend and vote on their behalf at the meeting.
7. An explanatory statement pursuant to Section 102 of the Act, relating to the special businesses set out in the Notice is annexed hereto and forms part of the Notice.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from 20<sup>th</sup> September, 2018 to 27<sup>th</sup> September, 2018 (both days inclusive). In case of shares held in physical form, all members/shareholders are requested to lodge transfer deeds, if any, on or before 19<sup>th</sup> September, 2018.
9. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off date i.e. 19<sup>th</sup> September, 2018.
10. In case of shares held in physical form, all members/shareholders are requested to address their correspondence, lodge transfer deeds, requests for change of address, if any, with Company’s Registrar and Share Transfer Agent, M/s. Cameo Corporate Services Limited, “Subramanian Building”, No.1, Club House Road, Chennai - 600002. The above details in respect of the shares held in electronic form should be sent to the respective depository participants by the members well in time.
11. During the period beginning 24 (twenty-four) hours before the time fixed for the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided not less than 3 (three) days of advance notice in writing is given to the Company.
12. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Act, are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of AGM.
13. In accordance with the provisions of Section 72 of the Act, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent, M/s. Cameo Corporate Services Limited and have it duly filled and sent back to them.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act, and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the Annual General Meeting.
15. The documents referred in the Notice and Explanatory Statement and the Annual Accounts of the Subsidiary companies will be available for inspection to Members at the registered office of the Company and that of the respective subsidiary companies during 10.30 a.m. to 2.00 p.m. on any working day except Saturdays, Sundays and Public Holidays up to the date of the Forty-Second Annual General Meeting. The Company will provide copies of the Annual Accounts of the subsidiary companies and the related detailed information to any member on demand.
16. Information about the Directors proposed to be appointed / reappointed is given as Annexure to the Notice.
17. Pursuant to Section 124 of the Act, all unclaimed/unpaid dividend, as well as the unclaimed /unpaid amount of deposits and interest thereon remaining for a period of 7 (seven) years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim of member/ deposit holder shall lie against the said IEPF or the Company for the amount so transferred nor shall any payment be made in respect of such claim.

### Regd.Office:

“AFCONS HOUSE”,  
16, Shah Industrial Estate,  
Veera Desai Road, Azadnagar P.O.,  
Andheri (West), Mumbai-400 053  
CIN - U45200MH1976PLC019335

Place: Mumbai

Dated: 11<sup>th</sup> June, 2018

**By Order of the Board of Directors**

**P. R. Rajendran**  
**Company Secretary**

**Explanatory Statement under section 102 of the Companies Act, 2013 (“Act”)**

An explanatory statement pursuant to Section 102 of the Act set out all material facts with respect to the special business mentioned under item no. 6 to 10 of the accompanying notice of the meeting:

**Item no.6**

The Company is undertaking several projects/contracts in India and abroad and may also open new branch offices in India and abroad in future. To enable the Board of Directors to appoint Branch Auditors for auditing the accounts of the Company’s Branch Offices, the necessary authorisation of the members is being sought in accordance with the provisions of Section 143(8) of the Act, in terms of the resolution at item no.6 of the accompanying Notice.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution mentioned at item no.6 of the Notice.

The Board of Directors recommends the ordinary resolution set forth at item no.6 of the Notice, for the approval of the members.

**Item no. 7**

Pursuant to Section 148 of the Act, read with the Companies (Audit & Auditors) Rules 2014, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294) as the Cost Auditors to conduct the audit of the cost records maintained by the Company for the Financial Year 2018-19, for a remuneration of ₹ 2,20,000/- (excluding out of pocket expenses plus tax).

M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No.00294) have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of Cost Audit.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2018-19.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution mentioned at item no.7 of the Notice.

The Board of Directors recommends the ordinary resolution set forth at item no.7 of the Notice, for the approval of the members.

**Item no. 8 and 9**

At the Forty-First Annual General Meeting of the Company held on 27<sup>th</sup> September 2017, Mr. K. Subramanian had been reappointed as Vice Chairman and Managing Director and Mr. S. Paramasivan as the Deputy Managing Director of the Company for further term of 3 years w.e.f 1<sup>st</sup> July 2017 and up to 30<sup>th</sup> June 2020.

Mr. K. Subramanian ceased to be the Managing Director of the Company w.e.f. 30<sup>th</sup> March 2018. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 30<sup>th</sup> March, 2018 appointed Mr. K. Subramanian, as Whole-Time Director and designated him as Executive Vice Chairman of the Company and Mr. S. Paramasivan as Managing Director of the Company with effect from 30<sup>th</sup> March, 2018 for their remaining tenure i.e. up to 30<sup>th</sup> June 2020.

The Company has received from Mr. K. Subramanian and Mr. S. Paramasivan, consent in writing to act as Executive Vice Chairman and Managing Director of the Company respectively.

The terms of appointment of each of the aforesaid Directors are set forth in the notice at the item no. 8 and 9.

The resolution seeks the approval of the members in terms of Sections 196,197, 198 and 203 read with Schedule V and other applicable provision of the Act and the Rules made thereunder for the appointment of Mr. K. Subramanian as Whole-Time Director designated as Executive Vice Chairman and Mr. S. Paramasivan as Managing Director for a period from 30<sup>th</sup> March 2018 up to 30<sup>th</sup> June 2020.

Except Mr. K. Subramanian, and Mr. S. Paramasivan, who are concerned/ interested in their respective resolution, none of the other directors and key managerial personnel of the Company or their relatives are concerned or interested in the aforesaid resolutions.

The details of Mr. K. Subramanian, and Mr. S. Paramasivan, are given in the Annexures attached to the Notice.

Although the Company foresees profits during the term of the aforesaid directors, due to unforeseen events the Company may have inadequacy of profits or / insufficiency of profits in a particular financial year during the said terms of appointment. Hence Members consent is sought, out of abundant caution, to payment of the remuneration as stated in the resolution at item no.8 and 9 to Mr. K. Subramanian, and Mr. S. Paramasivan, respectively as minimum remuneration. In this regard, as required under Schedule V Part II Section II Clause B condition (iv) of the Act, the additional information of Mr. K. Subramanian, and Mr. S. Paramasivan, respective of the Company is furnished below:

**I. GENERAL INFORMATION**

1. Nature of industry – **Construction Industry**
2. Date or expected date of commencement of commercial production – **N.A.**
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – **N.A.**

# AFCONS INFRASTRUCTURE LIMITED

## 4. Financial performance based on given indicators

(Standalone Financials)

Financial Parameter	Financial Year (₹ in crores)		
	2015-16	2016-17	2017-18
Revenue from operations	4,309.47	5,842.59	5,953.07
Net Profit after Tax	87.73	75.12	128.85
EPS (₹)	12.18	10.43	17.90
Dividend Amount (Preference Shares)	0.05	0.05	0.05
Dividend Amount (Equity Shares)	21.59	21.59	25.19
Dividend % (Preference Shares)	0.01	0.01	0.01
Dividend % (Equity Shares)	30	30	35

## 5. Export performance and net foreign exchange collaborations

(Standalone Financials)

FOREIGN EXCHANGE EARNINGS AND OUTGO	Financial Year (₹ in crores)		
	2015-16	2016-17	2017-18
Earnings	708.49	885.85	656.17
Outgo	654.25	866.96	684.67

## 6. Foreign investments or collaborators, if any

The Company has developed strategic association with various International Companies like Sibmost OJSC of Russia, Transtonelstroy Limited of Russia, Sener Ingenieria Y Sistemas S.A. of Spain, Technip of France, IHI Corporation of Japan, Strabag SA of Austria, Saipem SA of France and PT.Gunayasa Utama Fabricators of Indonesia etc. for undertaking Projects both in India and abroad.

## II. INFORMATION ABOUT THE APPOINTEE:

### A. Mr. K. Subramanian, Executive Vice Chairman

#### 1. Background details:

Mr. K. Subramanian, aged 60 years, an Indian National is the Whole-Time Director of the Company. He is working with the Company for over 15 years and is designated as Executive Vice Chairman of the Company with effect from 30<sup>th</sup> March, 2018.

He is a Mechanical Engineering Graduate and an alumnus of NIT, Trichy, & Post Graduate in Industrial Engineering from NITIE, Mumbai. He is also a recipient of the distinguished NITIE Alumni Award 2013.

He has previously worked with Hindustan Construction Company Ltd. He has vast experience in areas of project management including project planning, execution, and overall project management apart from contract management and corporate planning. He is the Indian representative in Dispute Review Board Foundation, USA. He spearheads the effort of industry association in standardizing contract conditions, documentation etc. in close co-ordination with planning commission, PMO & Various central and State Ministries. He is associated with educational institutions like NICMAR, NITIE and others for development of project management modules and delivering guest lectures. He is also a member of Indian Society on Construction Law and Construction Industry Development Council (CIDC). He is also a member of the Academic Council of National Institute of Industrial Engineering (NITIE) Mumbai.

#### 2. Past remuneration:

(₹ in crores)

Year	Salary	P.F/SA	Perquisites	Total Remuneration
2017-18	0.58	0.15	2.37	3.11

#### 3. Recognition or awards

Mr. K. Subramanian is a recipient of the Bharat Shiromani Award, 2004 in recognition for his notable contributions in the construction industry.

#### 4. Job profile and his suitability

Mr. K. Subramanian had been managing the Company as the Managing Director from 15<sup>th</sup> November 2002 and subsequently as Vice Chairman and Managing Director from 26<sup>th</sup> September 2013 until 30<sup>th</sup> March 2018. Mr. K. Subramanian has over 35 years of experience in infrastructure sector. Under his leadership the Company has created its own niche of delivering most complex and challenging infrastructure projects ahead of schedule and creating new benchmark in the sector.

Prior to joining the Company, he has worked for over two decades with Hindustan Construction Company Ltd. His management expertise spans the full range of functions like contracts, operations and strategy etc.

Mr. K. Subramanian is the sole representative for India in Dispute Review Board Foundation, USA, which promotes alternate dispute resolution throughout the world. He has been accredited to serve as an expert to settle contractual disputes in any part of the globe.

In his new role as Executive Vice Chairman, he will utilize his experience and expertise for piloting development and organisation building journey, mentoring senior executives and strategy planning & implementation initiatives for the Company and the SP Group.

**5. Remuneration proposed:**

The details of the remuneration proposed to be paid to Mr.K.Subramanian, Executive Vice Chairman of the Company is set out in the resolution at Item no.8 of the Notice.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

The remuneration proposed to be paid to Mr. K. Subramanian Executive Vice Chairman is commensurate with the remuneration packages paid to his similar level counterparts in other companies in the industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Mr. K. Subramanian, Executive Vice Chairman is not related to any managerial personnel in the Company. He does not have any pecuniary relationship, directly or indirectly with the Company or with any managerial personnel beside the remuneration set out in the resolution at Item no.8 and except to the extent of his shareholding in the equity share capital of the Company.

**B. Mr. S. Paramasivan, Managing Director**

**1. Background details:**

Mr. S. Paramasivan, aged 61, an Indian national has been working with the Company for over 16 years. Mr. S. Paramasivan has been the Executive Director (Finance and Commercials) since 2002 to 2012 and subsequently Dy. Managing Director for the past six years. He is currently designated as Managing Director of the Company with effect from 30<sup>th</sup> March 2018. He has also served on the Board of a few other Companies as Independent Director.

He is an alumnus of the University of Madurai from where he graduated in Commerce. He is a Certified Associate of the Indian Institute of Bankers, a Fellow Member of The Institute of Cost and Management Accountants of India and The Institute of Company Secretaries of India. He is also a Stanford Certified Project Manager.

He has over 38 years of Industry experience. He has previously served the State Bank of Travancore for over 15 years and Fouress Engineering (India) Ltd., for over 6 years. He has contributed articles on matters of interest on Banking & Finance including a book on 'Banking' for internal promotion of officials in the Bank.

He was a member of the Banking & Finance Committee of the Bombay Chamber of Commerce and Industry and was in its core group. He is currently a Member in the Taxation Committee of CII and a Member in Infrastructure Committee of FICCI.

**2. Past remuneration:**

(₹ in crores)

Year	Salary	P.F/SA	Perquisites	Total Remuneration
2017-18	0.49	0.13	1.97	2.59

**3. Recognition or awards - NIL**

**4. Job profile and his suitability**

He has played a significant part in the Company's journey with special focus on finance, commercial matters and subsequently in the business development. He has more than 38 years of Industry experience. In his new role as Managing Director he will be responsible for the operations and day to day management of the Company.

**5. Remuneration proposed**

The details of the remuneration proposed to be paid to Mr. S. Paramasivan, Managing Director of the Company is set out in the resolution at Item no.9 of the Notice.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

The remuneration proposed to be paid to Mr. S. Paramasivan, Managing Director is commensurate with the remuneration packages paid to his similar level counterparts in other companies in the industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship directly or indirectly with the company or relationship with the managerial personnel, if any.**

Mr. S. Paramasivan, Managing Director is not related to any managerial personnel in the Company. He does not have any pecuniary relationship, directly or indirectly with the Company or with any managerial personnel beside the remuneration set out in the resolution at Item no. 9 and except to the extent of his shareholding in the equity share capital of the Company.

**III. OTHER INFORMATION**

**1. Reasons of loss or inadequate profits**

The Infrastructure Industry faces uncertain/unforeseen changes. The Company is executing the Projects mainly through Joint Ventures/ Collaboration. On a standalone basis the Company may have inadequacy of profits or/insufficiency of profits in a particular financial year during the said terms of appointments. Hence Members consent is sought, out of abundant caution, to payment of the remuneration as stated in the resolution at item no. 8 and 9 to Mr. K. Subramanian and Mr.S.Paramasivan respectively as minimum remuneration.

# AFCONS INFRASTRUCTURE LIMITED

## 2. Steps taken or proposed to be taken for improvement

The Company is strengthening its operations, systems and cost controls. The Company is pursuing business opportunity in its core and new areas including jobs abroad to increase its order book position. The general outlook for the construction industry is positive.

## 3. Expected increase in productivity and profits in measurable terms.

With the steps proposed to be taken by the management, the Company expects to improve profitability on a standalone basis in the next 3 years.

### DISCLOSURES:

The remuneration packages of Mr. K. Subramanian and Mr. S. Paramasivan are detailed in the resolutions at item no. 8 and 9 respectively of the Notice.

### Interest of Directors:

Mr. K. Subramanian and Mr. S. Paramasivan are deemed to be interested in the respective resolutions pertaining to their remuneration. No other Directors of the Company are directly or indirectly concerned or interested in this resolution.

Your Director recommends the resolution at Item no.8 and 9 for your approval as special resolution.

### Item no. 10

As per provisions of Section 23 and 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 a Company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations.

Section 71 of the Act read with Rule 18 of Companies (Share Capital and Debentures) Rules, 2014 governs the provisions relating to issue of debentures. In case of offer / issuance of Non-Convertible Debentures/ Bonds/ other Instruments, passing of a Special Resolution by the members for all such offers / invitation for such debentures, once in a year is sufficient.

In view of the aforesaid provisions and in order to augment resources for, inter alia, the ongoing capital expenditure, long term working capital/ short term working capital and for general corporate purposes, consent of the members is sought to the raising of ₹ 200/- Crores (Rupees Two Hundred Crores only) vide issue of Non-Convertible Debentures/ Bonds/ other Instruments on private placement basis in one or more tranches, on such terms and conditions and to such investors as the Board of Directors of the Company (or any duly constituted Committee of the Board of Directors) may determine from time to time. The raising of funds through Non-Convertible Debentures/ Bonds/ other Instruments shall be within the overall borrowing limits under Section 180(1)(c) of the Act as approved by the members of the Company at the Annual General Meeting of the Company held on 30<sup>th</sup> September 2014.

The Company seeks to pass an enabling resolution to borrow funds from time to time vide issue of Non-Convertible Debentures/ Bonds/ other Instruments for an amount not exceeding ₹ 200 crores (Rupees Two Hundred Crores only). The pricing of the Non-Convertible Debentures/ Bonds/ other Instruments will depend primarily upon the prevailing market conditions. The terms and conditions for each of the issuance would be approved by the Board of Directors or any of its Committee duly authorized in this regard.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the said resolution except to the extent of their shareholding in the Company, if any.

The Board recommends the special resolution set forth at item no.10 for the approval of the members.

### Regd.Office:

"AFCONS HOUSE",  
16, Shah Industrial Estate,  
Veera Desai Road, Azadnagar P.O.,  
Andheri (West), Mumbai-400 053  
CIN - U45200MH1976PLC019335

**By Order of the Board of Directors**

**P. R. Rajendran**  
**Company Secretary**

Place: Mumbai

Dated: 11<sup>th</sup> June, 2018



**Annexure to the Notice**

Details of the Directors Seeking Appointment at the Forty-Second Annual General Meeting

<b>1. Particulars</b>	<b>Mr. Shapoor P. Mistry</b>
Date of Birth	06.09.1964
Date of Appointment	26.04.2000
Qualification	B.A (Business and Economics), London
Experience in Specific Functional Area	He is the Chairman of Afcons Infrastructure Ltd. He is also the Chairman and Managing Director of Shapoorji Pallonji and Company Pvt. Ltd. His expertise includes formulation of business plans, risk evaluation, business investment strategy and funds management and property development.
Directorship held in other Companies.	<ol style="list-style-type: none"> <li>1. Shapoorji Pallonji And Company Private Limited</li> <li>2. Cyrus Investments Private Limited</li> <li>3. Eureka Forbes Limited</li> <li>4. Forbes &amp; Company Limited</li> <li>5. Pallonji Shapoorji And Company Private Limited</li> <li>6. Shapoorji Pallonji Finance Private Limited</li> <li>7. Shapoorji Pallonji Infrastructure Capital Company Private Limited</li> <li>8. Sovereign Pharma Private Limited</li> <li>9. Kaisha Lifesciences Private Limited</li> <li>10. Sterling Investment Corporation Private Limited</li> <li>11. Shapoorji Pallonji Oil &amp; Gas Private Limited</li> </ol>
Membership / Chairmanship of Committees of other Public Co. (Includes only Audit Committee and Shareholders / Investors Grievance Committee)	<ol style="list-style-type: none"> <li>1. Cyrus Investments Private Limited – Audit Committee</li> <li>2. Sterling Investment Corporation Private Limited – Audit Committee</li> </ol>
Number of Equity Shares held	-
Terms and Condition of appointment	Director liable to retire by rotation.
Remuneration sought to be paid	Sitting fees for attending Board and Committee meetings.
Number of meeting of the Board attended (during the Financial year 2017-18)	3
Remuneration last drawn (during the Financial year 2017-18)	₹ 2,75,000/-
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Related to Mr. Pallon Shapoor Mistry

## AFCONS INFRASTRUCTURE LIMITED

2. <b>Particulars</b>	<b>Mr. K. Subramanian</b>
Date of Birth	03.06.1958
Date of Appointment	15.11.2002
Qualification	B.E. (Mech). Trichy. Post graduate in Industrial Engg. from NITIE, Mumbai
Experience in Specific Functional Area	He has vast experience in areas of Project Planning, Execution, Overall Project Management, Contract Management and Corporate Planning. He has extensive experience in heavy Civil Construction works. He has been a recipient of the prestigious "Bharat Shiromani Award - 2004" in recognition of his notable contribution in the field of Construction Industry since 1982.
Directorship held in other Companies.	1. Simar Port Private Limited
Membership / Chairmanship of Committees of other Public Co. (Includes only Audit Committee and Shareholders / Investors Grievance Committee)	---
Number of Equity Shares held	58,208
Terms and Condition of appointment	Director Liable to retire by rotation. He is the Executive Vice Chairman of the Company w.e.f 30 <sup>th</sup> March 2018; previously he was Vice Chairman and Managing Director of the Company. His terms of appointment are as set out at resolution no. 8 of this Notice.
Remuneration sought to be paid	As per resolution no. 8 of this Notice.
Number of meeting of the Board attended (during the Financial year 2017-18)	4
Remuneration last drawn (during the Financial year 2017-18)	₹ 3,11,75,007/-
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	---

<b>3. Particulars</b>	<b>Mr. S. Paramasivan</b>
Date of Birth	20.05.1957
Date of Appointment	10.06.2002
Qualification	B.com; CAIIB, FCMA, FCS, Stanford Certified Project Manager
Experience in Specific Functional Area	He has previously served State Bank of Travancore for over 15 years and Fouress Engineering (India) Ltd. for over 6 years. He has vast experience in banking & finance. He has excelled himself in Turnaround Management with both theoretical and practical experience. He was a member of the Banking & finance Committee of the Bombay Chamber of Commerce and Industry and was in its core group. He has contributed articles on banking and finance, including a book on 'Banking' for internal promotion of officials in the bank. He is a Member in the National Committee on Infrastructure of FICCI and Member in Taxation Committee of CII. He has also served on the Boards of a few other companies as Independent Director. He has over 38 years of Industry experience.
Directorship held in other Companies.	1. Afcons Corrosion Protection Private Limited 2. Afcons (Mideast) Constructions Investments Private Limited
Membership / Chairmanship of Committees of other Public Co. (Includes only Audit Committee and Shareholders / Investors Grievance Committee)	---
Number of Equity Shares held	26,280
Terms and Condition of appointment	Director Liable to retire by rotation. Mr. S. Paramasivan has been the Executive Director (Finance and Commercials) since 2002 to 2012 and subsequently Dy. Managing Director for the past six years. He is the Managing Director of the Company w.e.f 30 <sup>th</sup> March 2018. His terms of appointment are as set out at resolution no. 9 of this Notice.
Remuneration sought to be paid	As per resolution no. 9 of this Notice.
Number of meeting of the Board attended (during the Financial year 2017-18)	4
Remuneration last drawn (during the Financial year 2017-18)	₹ 2,59,42,500/-
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	---

