

AFCONS

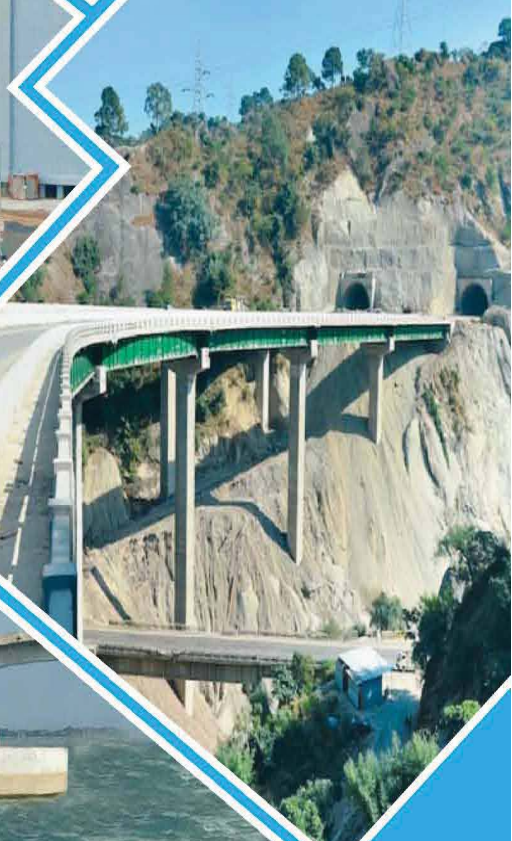
SP
Shapoorji Pallonji

STRONGER TOGETHER
150 YEARS

Annual

Report

2015-16



Padma Bhushan for **Mr. Pallonji Mistry**



Shapoorji Pallonji Group (SP) Chairman Emeritus, Mr. Pallonji Shapoorji Mistry, receives the Padma Bhushan from President of India, Shri Pranab Mukherjee, at Rashtrapati Bhawan, in New Delhi, on March 28, 2016

Mission

To be a prominent transnational infrastructure company recognised for business innovations, focused on total satisfaction and enhanced value creation for all its stakeholders.

BOARD OF DIRECTORS

S. P. Mistry – Chairman
P. S. Mistry
N. D. Khurody
P. N. Kapadia
R. M. Premkumar
U. N. Khanna
R. M. Nentin (Ms.)
K. Subrahmanian - Vice Chairman & Managing Director
S. Paramasivan - Deputy Managing Director

BANKERS

State Bank of India
UCO Bank
Oriental Bank of Commerce
Axis Bank Ltd.
Bank of India
Dena Bank
BNP Paribas
Kotak Mahindra Bank Ltd.
ICICI Bank Ltd.
Union Bank of India
IDBI Bank Ltd.
Standard Chartered Bank
Yes Bank Ltd.
Hongkong and Shanghai Banking Corporation Ltd.
Export Import Bank of India

AUDIT COMMITTEE MEMBERS

N. D. Khurody - Chairman
P. N. Kapadia
R. M. Premkumar

COMPANY SECRETARY

Mr. P. R. Rajendran

AUDITORS

M/s. Deloitte Haskins & Sells,
Chartered Accountants (ICAI registration no.117364W)
M/s. J. C. Bhatt & Associates,
Chartered Accountants (ICAI registration no. 130923W)

REGISTERED OFFICE

“AFCONS HOUSE” 16, Shah Industrial Estate,
Veera Desai Road, Azad Nagar P.O.
Andheri (West) Mumbai- 400 053
Website: www.afcons.com
CIN : U45200MH1976PLC019335

REGISTRARS & SHARE TRANSFER AGENT

Cameo Corporate Services Limited
Subramanian Building,
1 Club House Road,
Chennai-600002
Tel. no.: 044-28460390
Fax no.: 044-28460129
Email id.: afcons@cameoindia.com

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AFCONS INFRASTRUCTURE LIMITED

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the Fortieth Annual Report together with the Audited Financial statement for the year ended 31st March 2016.

1. FINANCIAL RESULTS

Particulars	Consolidated		Standalone	
	₹ in crores		₹ in crores	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Total Income	4,592.45	4,070.24	3,734.14	3,168.24
Profit/(Loss) before Tax	145.76	78.82	191.42	101.29
Provision for Taxation	(69.42)	(19.59)	(64.76)	(16.52)
Excess/(short) provision for tax in respect of earlier years	(1.99)	(6.05)	(1.68)	(5.80)
Profit/(Loss) after Tax (before Minority Interest)	74.35	53.18	124.98	78.97
Minority Interest	1.84	(0.28)	-	-
Profit/ (Loss) for the year	76.19	52.90	124.98	78.97
Balance brought forward from previous years	531.69	508.10	474.42	424.75
Profit available for Appropriation	607.88	561.00	599.40	503.72
Less: Appropriation				
(i) Interim Dividend on Equity	21.59	10.80	21.59	10.80
(ii) Proposed Dividend on Preference Shares	0.05	0.05	0.05	0.05
(iii) Tax on Dividend	4.40	2.17	4.40	2.17
(iv) Depreciation on Transition to Schedule II of Companies Act, 2013	-	3.40	-	3.39
(v) Transferred to Debenture Redemption Reserve	19.17	12.90	19.17	12.90
(vi) Distribution of Profit / (loss) to JV Partners	(0.20)	-	-	-
Balance Carried Forward to Balance Sheet	562.87	531.69	554.19	474.42

2. OPERATIONS

(a) Standalone Results

Your Company has achieved total income of ₹ 3,734.14 crores for the year compared to the previous year ₹ 3,168.24 crores showing an increase of 17.86%. The Profit before Tax for the year was ₹ 191.42 crores compared to ₹ 101.29 crores in the previous year resulting in increase of 88.98%. The Profit after Tax for the year was ₹ 124.98 crores compared to ₹ 78.97 crores in the previous year resulting in increase by 58.26%.

(b) Consolidated Results

Your Company has achieved total income of ₹ 4,592.45 crores for the year compared to the previous year's ₹ 4,070.24 crores showing an increase of 12.83%. The EBIDTA for the year was ₹ 515.96 crores compared to ₹ 409.66 crores in the previous year resulting in increase by 25.95%. The Consolidated Profit before Tax for the year was ₹ 145.76 crores compared to ₹ 78.82 crores in the previous year resulting in an increase of 84.93%. The Consolidated Profit after Tax for the year was ₹ 74.35 crores compared to ₹ 53.18 crores in the previous year resulting in increase by 39.81%. All intercompany transaction are netted out at the time of consolidation and hence, the profits and revenues are reduced to that extent. Your Company's Order book as on 31st March, 2016 was ₹ 10,246 crores.

(c) There has been no material changes and comments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

(d) During the year under review, the following major works were completed:

- Construction Contract for Installation of Process Gas Compressors, Other Equipment & Process Packages along with associated construction & Modification Works for Onshore Terminal, Kakinada In Kg-Dwn-98/3 (Kgd6) Block, India, of Reliance Industries Limited.
- Engineering, Procurement, Fabrication, Installation, Precommissioning, Commissioning of HRD Process Platform of ONGC Limited in consortium with Technip KT India and TH Heqvy Engineering BHD.
- Construction of New Phosphate Rock Terminal in Aqaba, Jordan of Jordan Phosphate Mines Company.
- Design, Engineering, Procurement and Construction of Northward Extension of Aktau International Sea Commercial Port, Kazakhstan of Aktau Port Joint Stock Company awarded to Afcons Overseas Singapore Pte. Ltd., a subsidiary of the Company.

(e) During the year under review, the Company has secured the following major Contracts:

- EPC of Jetty Modification Works (Marine) at GCPTCL Marine Terminal, Dahej of Gujarat Chemical Port Terminal Co. Ltd. of ₹ 94 crores.
- Construction of cryogenic ethane pipelines from loading arm flanges of GCPTCL jetty head to GCPTCL battery Limit of Reliance Industries Ltd. of ₹ 27 crores.
- IRCON Tunnel T-74 R South Portal of IRCON International Ltd. of ₹ 295 crores.
- EPC Contract for New Cargo Terminal at Owendo at (GABON) of Gabon Special Economic Zone Ports S.A. of ₹ 706 crores.
- Construction of Multimodal IWT Terminal at Varanasi, Uttar Pradesh of Inland Waterways Authority of India of ₹ 170 crores.
- Improvement of AL Awir Road International City Accesses, Dubai of Roads and Transport Authority of ₹ 341 crores.

- vii. Construction of Multiple Bridges on Katra Dharam Section of Udhampur-Srinagar Barapulla Rail Link Project in J&K of Konkan Railway Corporation Ltd. of ₹ 1,220 crores.
- viii. Wharf and Approach Trestle Works for Bharat Containers Terminal Pvt Ltd at JNPT, Uran of Bharat Mumbai Container Terminals Pvt. Ltd. of ₹ 482 crores.
- ix. Construction of Coal Berth 4 at Kamarajar Port, Ennore, Chennai of Kamarajar Port Ltd, of ₹ 245 crores.
- x. Life Extension of Well Platform Project, LEWPP T1 – of ONGC Limited awarded to the consortium of the Company, Halani International Ltd and TRIUNE Energy Services Pvt. Ltd. The Company's share in the Consortium is ₹ 701 crores.

After the Financial year ended 31st March, 2016 and upto the date of this Board's Report your Company has secured 5 Projects aggregating to ₹ 5,544 crores.

3. CREDIT RATING

ICRA has reaffirmed the long term rating of "AA/Stable" which signifies high credit quality and short term rating of "A1+" which reflects highest credit quality.

Dun & Bradstreet has assigned rating of "5A2" which signifies the overall status of the Company is good.

4. DIVIDEND

The Company has declared an Interim dividend to the equity shareholders @ 30% (i.e. ₹ 3/- per equity share of ₹ 10/- each) on the paid up capital of ₹ 71,97,02,380 aggregating to total outflow of ₹ 25.99/- crores (i.e. Interim dividend amount of ₹ 21.59/- crores and dividend distribution tax of ₹ 4.40/- crores). Your Directors recommend the said Interim dividend on the Equity shares as final dividend for the financial year 2015-16.

The Directors recommend, for approval of members, dividend of 0.01% on the Convertible Preference Shares of the Company. The dividend, if declared, would involve an outflow of ₹ 0.054 crores including dividend distribution tax.

5. SHARE CAPITAL

There was no change in the Company's Share Capital during the year under review.

6. SUBSIDIARIES/ ASSOCIATE/ JOINT VENTURE

- (a) During the year under review, a step down subsidiary of the Company was incorporated in the Republic of Gabon in the name of AFCONS OVERSEAS PROJECT GABON SARL for undertaking the projects in Gabon.
- (b) Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries, associate company and joint venture in Form AOC-1 is attached to financial statement of the Company.
- (c) The consolidated financial statements presented by the Company include financial statement of the Subsidiaries prepared in accordance with the applicable accounting standards. Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.
- (d) There has been no material change in the nature of business of the Company or any of its subsidiaries or associates.

7. CORPORATE GOVERNANCE

Your Company, being a value driven organization, believes in coherent and self-regulatory approach in the conduct of its business to achieve the highest levels of good corporate governance practices. Therefore the Company in the interest of the Stakeholders voluntarily complies with the requirements of Corporate Governance. A Report on Corporate Governance is attached separately to this Annual Report. The details of Committees of the Board, their composition, terms of reference and details of such committee meetings held are provided in Corporate Governance Report.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, is presented in a separate section which forms part of this Annual Report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNELS OF THE COMPANY

Mr. S. Paramasivan (DIN: 00058445), Deputy Managing Director and Mr. Umesh Khanna (DIN: 03634361), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment.

Ms. Roshen M Nentin (DIN: 00004884), was appointed as an Additional Director of the Company with effect from 1st October, 2015. As per section 161(1) to the Companies Act, 2013, Ms. Roshen M Nentin holds office upto this Annual General Meeting. The Company has received a notice from a member of the Company in writing along with a deposit of ₹ 1,00,000/- in terms of section 160(1) of the Companies Act, 2013 signifying its intention to propose the candidature of Ms. Roshen M Nentin as Director of the Company.

10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been enclosed as **Annexure I** to this Report.

11. STATEMENT ON EVALUATION OF PERFORMANCE OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, Board Committee and individual directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

12. DECLARATION FROM INDEPENDENT DIRECTORS

The Board has received declarations from the Independent Directors as per the requirement of Section 149(7) of the Companies Act, 2013 that there has been no change in the circumstances which may affect their status as independent director during the year and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013.

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13. MEETINGS OF BOARD

Four (4) meetings of the Board were held during the financial year. The details of the meetings of the Board, is given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

14. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013, your Directors hereby state and confirmed that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. QUALITY, HEALTH, SAFETY & ENVIRONMENT

The Company firmly believes that the pursuit of excellence is one of the most critical components for a competitive success. With Quality, Health, Safety & Environment being an essential part of the Company's policy, it strives to deliver services by maintaining the highest level of Quality, Health, Safety & Environmental Standards.

The policy of the Company is to conduct its construction business through an established Quality, Health, Safety & Environmental (QHSE) Management System, which aims to achieve customer satisfaction and in the process a continual improvement of Company's competencies and competitiveness.

The Company is certified for ISO 9001:2008 for Quality Management System, ISO:14001:2004 for Environment Management System and OHSAS:18001:2007 for Occupation, Health & Safety Management Systems. All the three systems are well established, documented, implemented and maintained across the Company.

The Company has a commendable record in terms of safety at our various project sites and has received awards as well as appreciation letters from our clients, which are detailed below:

1. IHI Corporation has awarded an appreciation certificate for achieving 4.5 Million Safe Man-hours at Dahej 2277 project site.
2. UPEIDA has awarded an Appreciation Certificate for achieving 5.398 Million Safe Man-hours at ALEP-4546, Package 02.
3. Chennai Metro Rail Ltd. (CMRL) Package 01 site has received an International environment management award – 2015 in Merit category.
4. CMRL has awarded an appreciation letter for achieving highest percentage in Monthly Audit Rating Score audit (MARS audit from March -14 to Dec -15) for CMRL Package 01 site.
5. Reliance Industries Limited awarded a "Performance Excellence Award" for demonstrating consistent HSE performance improvement, in alignment with J3 HSE targets.
6. Global forest and trade network has awarded an appreciation certificate to CMRL Package 01 site for 295 kgs of waste paper for recycling project and saved 6 trees.
7. Greentech foundation has awarded 16th Annual Greentech Environment award 2015 to CMRL Package 01 Site (in Silver Category), CMRL Package 05 Site (in Silver Category) and HRD process platform Site (in Platinum Category) for excellence Environment performance.
8. Greentech foundation has awarded 14th Annual Greentech safety award 2015 to DMRC CC15 (in gold Category), HRD process platform Site (in platinum Category) and Tunnel 74 R (in Silver Category) for excellence Safety performance.
9. British safety council has awarded an international Safety award 2015 in Merit category to Kuwait Site.
10. CMRL has awarded an appreciation letter for 8663 number of plantations around Chennai.
11. International Quality Environment Management Association (ISQEM) has awarded International Environment Management Award 2016 to CMRL Package 01 site (In merit category) & VOPAK Site (in pass category) for demonstrating Leadership Support and Commitment to Environment Management.
12. British safety council has awarded an international Safety award 2016 in Merit category to CMRL Package 01 Site for demonstrating leadership commitment for managing and improving safety.
13. The Royal society for the prevention of accident (ROSPA) has awarded CMRL 01 Site for ROSPA Health and Safety award – 2016.
14. Confederation of Indian Industries has awarded VOPAK Site for a Safety Health and environment Excellence award 2015 – 2016.
15. UPEIDA has awarded an Appreciation Certificate for achieving 7.2 Million Safe Man-hours at ALEP-4546, Package 02 site.
16. CMRL has awarded an Appreciation certificate to CMRL Package 01 Site for achieving 32 million Safe man-hours.
17. Government of NCT Delhi has awarded an Appreciation certificate to Delhi PWD Site for achieving 6.5 million Safe man-hours.
18. Delhi Metro Rail Corporation has awarded an Appreciation certificate to DMRC CC 90 Site for achieving 1 million Safe man-hour.
19. Reliance industries limited has awarded an Appreciation certificate to Reliance Jamnagar site for achieving 8 million Safe manhours.
20. Ircon International limited has awarded an Appreciation certificate to Tunnel 49 B for achieving 22 million Safe man-hours.

These milestones are the reflections of the strict HSE standards followed at the worksite and the commitment of AFCONS management towards Quality, Health, Safety & Environment.

16. AWARDS AND RECOGNITIONS

During the year, the Company received the following awards and recognitions:

- i. Two awards from Construction Week in the following categories:
 - a) Road Contractor of the Year
 - b) Roads & Highways Project of the year
- ii. Construction World' Award for the Fastest Growing Company (Large Category) for the year 2015.
- iii. The Construction Industry's Award for Excellence in Heavy Civil Infrastructure Works for Chennai Metro Rail Project.
- iv. Certificate of Recognition for "Best Production in Structural Erection" and "Best production in Piping Works" for the month of November 2015 from Reliance Industries Limited.
- v. Certificate for Quality work at Chenab site from IRCLASS Systems and Solution Pvt. Ltd.
- vi. Contractor Quality Performance Award in the Major Job Execution Partner Category for Reliance J3 Project Site from Reliance Industries Limited.

17. AUDITOR AND AUDITOR'S REPORT**(a) STATUTORY AUDITORS AND THEIR REPORT**

M/s. J.C.Bhatt & Associates, the retiring Joint Statutory Auditor of the Company has been statutory auditor of the Company for more than 10 years, being the maximum period permitted under Section 139 of the Companies Act, 2013. Therefore, in compliance with the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and based on recommendation of the Audit Committee, the Board of Directors at its meeting held on 27th June, 2016, recommended the appointment of, M/s. HDS & Associates, LLP Chartered Accountants, (ICAI Firm registration no. W100144) as joint statutory auditor in place of M/s. J.C.Bhatt & Associates, Chartered Accountants (ICAI registration no.130923W), the retiring Joint Statutory Auditor of the Company, along with M/s.Deloitte Haskins & Sells, Chartered Accountants (ICAI registration no.117364W) to hold offices for the respective tenure stated below on such remuneration (excluding service tax and out of pocket expenses in connection with the audit of the Accounts of the Company) as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee.

- a. M/s. Deloitte Haskins & Sells Chartered Accountants, (ICAI Firm registration no.117364W) shall hold office from the conclusion of this Annual General Meeting until the conclusion of the Forty-First Annual General Meeting of the Company to be held in the year 2017.
- b. M/s. HDS & Associates LLP, Chartered Accountants (ICAI Firm registration no. W100144) shall hold office for a term of five years i.e. from the conclusion of this Annual General Meeting till the conclusion of Forty-Fifth Annual General Meeting of the Company (subject to ratification of their appointment by the Members at every Annual General Meeting) to be held in the year 2021.

M/s.Deloitte Haskins & Sells, Chartered Accountants (ICAI registration no.117364W) and M/s. HDS & Associates LLP, Chartered Accountants (ICAI registration no. W100144) have provided their respective consent, certificates and declarations as required under Section 139 and 141 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014.

The Statutory Auditor's Report to the Members on the Accounts of the Company for the financial year ended 31st March 2016 does not contain any qualifications or reservation or adverse remark or disclaimer.

(b) SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. Parikh Parekh & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2015-16. The report of the Secretarial Auditor is enclosed as **Annexure II** to this Report.

(c) COST AUDITOR

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, as amended, your Company is covered under the ambit of mandatory cost audit.

The Audit Committee recommended and the Board of Directors has re-appointed M/s. Kishore Bhatia & Associates, Cost Accountant (Firm Registration no. 00294) as the Cost Auditors, to carry out the cost audit for the Company in relation to the financial year from 1st April, 2016 to 31st March, 2017. The Company has received consent from M/s.Kishore Bhatia & Associates for their re-appointment. Necessary resolution is proposed at the ensuing Annual General Meeting for ratification of the remuneration of the Cost Auditor for the financial year 2016-17.

18. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements.

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable.

19. FIXED DEPOSIT

Your Company did not invite or accept deposits from the public or shareholders during the year under review. All the unclaimed deposits accepted by the Company remaining unclaimed for a period of 7 (seven) years, have been transferred to Investor Education and Protection Fund. As on 31st March 2016, there are no outstanding deposits.

20. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of section 205C of the Companies Act 1956, fixed deposits accepted for the financial year 2009-2010 and interest thereon which remained unclaimed, in spite of reminders to the fixed deposit holders and persistent efforts to repay such amount by the Company, have been transferred during the year, on their due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

AFCONS INFRASTRUCTURE LIMITED

21. PARTICULARS OF EMPLOYEES

In terms of the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, the name and other particulars of the employees are enclosed to this Annual Report.

22. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

(a) Conservation of energy

Whenever you save energy, you not only save money, you also reduce the demand for such fossil fuels as coal, oil, and natural gas. Less burning of fossil fuels also means lower emissions of gases such as CO₂, CO, HFC etc., the primary contributor to global warming, and other pollutants.

- i. The Company is continuing its effort to convert all sites from fossil power to grid power thereby minimizing the carbon foot print.

This has been implemented to all sites as per feasibility. The total conversion of fossil power of 77 MVA by Grid power of 5.3 MVA considering all the sites. The reduction GHG (Green House Gas) emission by 6310 tonnes.

- ii. The steps taken by the company for utilizing alternate sources of energy - NIL
- iii. The capital investment on energy conservation equipments - NIL

(b) Technology absorption

1. KWH meter become mandatory in all New and old panels installed at site to monitor energy consumption parameter., the work is in progress.
2.
 - i. Automatic power factor correction panels installed at all sites where grid power is available used for maximum utilization of Energy.
 - ii. Availing rebate in electricity bill as per contract agreement with Electricity Board.
 - iii. Replacement of Fluorescent Light fixtures with LED light fixtures at Afcons House building renovation to save energy and enhance life of fixtures, work is in progress.
3. Imported technology (imported during the last three years reckoned from the beginning of the financial year) - Nil

(c) FOREIGN EXCHANGE EARNING AND OUTGO (Standalone)

	(₹ in crores)	
	Current year	Previous year
Earnings	708.49	1,421.02
Outgo	654.25	1,266.48

23. PARTICULARS OF LOANS GUARANTEES OR INVESTMENTS

The Company is exempt from the provisions of Section 186 except sub-section (1) pertaining to loans, guarantees and securities as the Company is engaged in providing infrastructure facilities. In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. The particulars of investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the financial statements.

24. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year 2015-16 were on an arm's length basis and were in the ordinary course of business. All related party transactions are placed before the Audit Committee for approval.

In terms of Section 134(3)(h) read with section 188(2) of the Companies Act, 2013, there are no material related party transactions entered into by your Company during the year, that individually or taken together with previous transactions during a financial year, exceed the prescribed limits under Rule 15(3) of Companies (Meeting of Board and its Powers) Rules, 2014, as amended. Accordingly, there being no information to be disclosed in AOC-2 format, the same is not enclosed. The disclosure of related party transactions are made in the financial statements of the Company.

The Company has out of abundant precautionary measure obtained Shareholders approval (vide postal ballot, result declared on 29th March, 2016) for entering into the related party transactions which may exceed the thresholds prescribed under Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 as amended.

25. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of Annual Return in prescribed form MGT - 9 is enclosed as **Annexure III** to this Report.

26. VIGIL MECHANISM POLICY

In accordance with section 177(9) of the Companies Act, 2013 read with rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Company has established a Vigil Mechanism Policy to provide a framework for responsible whistle blowing and for adequate safeguards against victimization of persons who use such mechanism. The said vigil mechanism policy is posted on the website of the Company.

27. RISK MANAGEMENT

The Company has in place a Risk Management Committee to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business and to ensure sustainable business growth with stability. There are no risk identified which in the opinion of the Board may threaten the existence of the Company.

28. CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. The Company has framed Corporate Social Responsibility (CSR) Policy. A brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the financial year is enclosed as **Annexure IV** to this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

29. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place Sexual Harassment Policy. A committee has also been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no complaints pertaining to sexual harassment were received by the Company.

30. EMPLOYEE STOCK OPTION SCHEME

On 22nd December, 2006, the Company, had obtained shareholder approval for issue of 17,85,000 ESOP, of which the Company has granted 721,150 stock options to its eligible employees at a price of ₹ 17/- per option in terms of Employees Stock Option Scheme 2006 of the Company.

There is no ESOP in force since 31st March 2015 and Company has not granted any options during the Financial Year. As on 31st March 2016 there are no Options outstanding in any manner. Accordingly, there is no information to be disclosed under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014.

31. OTHER DISCLOSURES/REPORTING

- a) No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
 - Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOPs referred to in this Report.
 - Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- b) There are no significant and material orders passed by the regulator or courts or tribunal impacting the going concern.
- c) There is no material change or commitments after closure of the financial year till the date of the report.

32. ACKNOWLEDGEMENT

Your Directors would like to acknowledge with gratitude the continued support and co-operation received by the Company from its Clients, Bankers, Financial Institutions, Government authorities, Employees and its valued Investors.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Mumbai
Date: 27th June 2016

S.P.MISTRY
CHAIRMAN

AFCONS INFRASTRUCTURE LIMITED

Annexure I to Boards' Report

NOMINATION AND REMUNERATION POLICY

I Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to Executive Directors, Key Managerial Personnel (KMP) and the Senior Management Personnel[#] of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and Rules thereto as amended from time to time, this Nomination and Remuneration Policy has been formulated by the Committee.

*# The expression **Senior Management Personnel** means personnels of the Company who are members of its core management team excluding Board of Directors comprising all members of the management one level below the executive directors, including functional heads.*

II Objective and purpose of the Policy

- The Policy shall adhere to the provisions of the Companies Act, 2013 and Rules thereto as amended from time to time.
- Formulating the criteria for determining qualifications and positive attributes of Directors, KMP and Senior Management Personnel.
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Director of the Company.
- To carry out evaluation of the performance of the Directors of the Company.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies of the Infrastructure business.

III Appointment criteria and qualifications:

- The candidate should be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- The candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 in case of appointment of an independent director;
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of 70 years.

Provided that the term of the person holding this position may be extended beyond the age of 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 years.

IV Remuneration of Directors, KMP and Senior Management Personnel

The Nomination and Remuneration Committee shall ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- The remuneration shall involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- The remuneration (including payment of minimum remuneration) to Executive Directors shall be within the overall ceiling prescribed under the Companies Act, 2013. Within the said overall ceiling of remuneration, the Executive Directors will be entitled to avail of the perquisites under different heads as may be applicable to the other Senior Management Personnel of the Company. Such remuneration to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration shall be subject to prior/post approval of the shareholders of the Company.

The annual increments to Executive Directors, will be decided by the 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.

V Appointment / Removal/ Retirement and Evaluation of Performance of Directors

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment.
- Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director.
- The Committee shall evaluate the performance of the Director as per the requirement of the Companies Act, 2013.

VI Appointment / Removal, Remuneration and Evaluation of Performance of KMP and Senior Management Personnel

- The qualification, attributes, terms and conditions of appointment and removal of KMP and Senior Management Personnel as also their remuneration and the evaluation of their performance shall be as decided by the Vice Chairman & Managing Director in line with the Company's policies as enumerated at points III above.
- The Nomination and Remuneration Committee shall ratify such appointment and removal of KMP and Senior Management Personnel.

VII Effective Date:

This policy shall be effective from 1st April, 2014.

VIII AMENDMENT:

The Policy shall be modified or amended in whole or in part, at any time as the Nomination and Remuneration Committee deems fit.

Sd/-
K. Subrahmanian
Vice Chairman & Managing Director

Annexure II to Boards' Report**FORM No. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

AFCONS INFRASTRUCTURE LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Afcons Infrastructure Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not applicable to the Company during the audit period)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not applicable to the Company during the audit period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
 1. Contract Labour (Regulation and Abolition) Act, 1970
 2. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
 3. Contract Labour (Regulation and Abolition) central rule, 1971

AFCONS INFRASTRUCTURE LIMITED

We have also examined compliance with the applicable clauses of the following:

Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.:

1. Issue of 9.05% 1000 Unsecured Unlisted Rated Redeemable Non Convertible Debenture of ₹10,00,000/- each aggregating to ₹100,00,00,000/-

For Parikh Parekh & Associates

Company Secretaries

Sd/-

Jigyasa N. Ved

Place: Mumbai

Date : 27th June, 2016

FCS No: 6488 CP No: 6018

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

The Members

Afcons Infrastructure Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh Parekh & Associates

Company Secretaries

Sd/-

Jigyasa N. Ved

Place: Mumbai

Date : 27th June, 2016

FCS No: 6488 CP No: 6018

Annexure III to Board's Report
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

CIN	U45200MH1976PLC019335
Registration Date	21.11.1976
Name of Company	Afcons Infrastructure Limited
Category/ Sub-Category of the Company	Public Company limited by Share Capital / Indian Non-Government Company
Address of the Registered office and contact details	Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Andheri West, Mumbai-400053 Tel.: +91 22 67191000 Fax: +91 22 26730027 / 1031 / 0047 Email id: rajendran@afcons.com Website : www.afcons.com
Whether Listed company	No
Name, Address and Contact details of Registrar and Transfer agent, if any	Cameo Corporate Services Limited Subramanian Building, 1 Club House Road, Chennai-600002 Tel.no.: 044-28460390 Fax no.: 044-28460129 Email id.: afcons@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the company shall be stated :

Sr. No.	Name and Description of main products /services	NIC Code of the product /service	% of total turnover of the company
1.	Construction Activities	41001, 42101, 42102, 42201,	100

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN /GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Shapoorji Pallonji and Company Private Limited 70 Nagindas Master Road, Fort Mumbai- 400023	U45200MH1943PTC003812	Holding	*51.74%	2(46)
2	Hazarat & Co. Private Limited Warden House, Sir PM Road, Mumbai-400023	U74999MH1982PTC028701	Subsidiary	100%	2(87)(ii)
3	Afcons Corrosion Protection Private Limited Afcons House, 16, Shah Industrial Estate, Veera Desai Rd. Andheri (W) Mumbai-400053	U28920MH1985PTC036876	Subsidiary	100%	2(87)(ii)
4	Afcons Offshore and Marine Services Private Limited Afcons House, 16, Shah Industrial Estate, Veera Desai, Rd. Andheri (W) Mumbai-400053	U11101MH1984PTC032807	Subsidiary	100%	2(87)(ii)
5	Afcons Construction Mideast LLC Suite# 1203, Platinum Business Center, Baghdad Street, Al Nadha, Dubai UAE	-	Subsidiary	49%	2(87)(i)
6	Afcons Gulf International Projects Services FZE PO Box: 4835 Fujairah, UAE	-	Subsidiary	100%	2(87)(ii)
7	Afcons Infrastructures Kuwait for Building, Roads and Marine Contracting WLL 14 th Floor, Unit-A Olympia Tower, Salmiya / Gulf Road, Kuwait City	-	Subsidiary	49%	2(87)(i)
8	Afcons Overseas Construction LLC Office No. 15, Ground Floor, Al Emadi Business Centre, Opp. Doha Cinema Signal, Najma, Doha Qatar.	-	Subsidiary	49%	2(87)(i)
9	Afcons Mauritius Infrastructure Limited 4 th Floor, C.A Building, 19 Poudriere Street, Port Louis, Mauritius	-	Subsidiary	100%	2(87)(ii)
10	Afcons Overseas Singapore Pte Ltd. 19 Keppel Road, #03-08 Jit Poh Building, Singapore 089058	-	Subsidiary	100%	2(87)(ii)
11	Afcons Infra Projects Kazakhstan LLP Office # 509-510, 15 Satpaeva Avenue, Republic Square, Almaty 050013, Republic Of Kazakhstan, 050013,	-	Subsidiary	100%	2(87)(ii)
12	Afcons Sener LNG Construction Projects Pvt.Ltd. Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Andheri West Mumbai-400053	U45400MH2015PTC260889	Associate	49%	2(6)
13	Afcons Overseas Project Gabon SARL Ancien Sobraga, Face entrée Clinique Union Médicale, Rez-de-chaussée, Immeuble de l'imprimerie, BP 20 211, Libreville (Gabon)	-	Subsidiary	100%	2(87)(ii)
14	Afcons Saudi Constructions LLC. B.O. 16560, Riyadh 11474, Riyadh, K S A	-	Subsidiary	100%	2(87)(ii)

* Considered percentage of total share capital held along with subsidiary companies.

AFCONS INFRASTRUCTURE LIMITED

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	49009022	21048429	70057451	97.3423	49026389	21048429	70074818	97.3663	0.0241
e) Banks /FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	49009022	21048429	70057451	97.3423	49026389	21048429	70074818	97.3663	0.0241
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	49009022	21048429	70057451	97.3423	49026389	21048429	70074818	97.3663	0.0241
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks /FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1) :	-	-	-	-	-	-	-	-	-
(2) Non- Institutions									
a) Bodies Corp.									
i) Indian	-	50000	50000	0.0694	-	50000	50000	0.0694	0.0000
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	100587	318190	418777	0.5819	95999	302101	398100	0.5531	(0.0287)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	91145	57148	148293	0.2060	91145	57148	148293	0.2060	0.0000
c) Others (specify)									
i) Director and their relatives	84488	19859	104347	0.1449	87798	19859	107657	0.1495	0.0045
ii) Trusts	-	1191370	1191370	1.6554	-	1191370	1191370	1.6554	-
Sub-total (B) (2) :	276220	1636567	1912787	2.6577	274942	1620478	1895420	2.6336	(0.0241)
Total Public Shareholding (B) = (B)(1) +(B)(2)	276220	1636567	1912787	2.6577	274942	1620478	1895420	2.6336	(0.0241)
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Total Custodian (C)	-	-	-	-	-	-	-	-	-
Grand Total (A) +(B) +(C)	49285242	22684996	71970238	100.0000	49301331	22668907	71970238	100.0000	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	SHAPOORJI PALLONJI & CO PVT. LTD.	49009022	68.0964	-	49026389	68.1204	-	0.0240
2.	FLOREAT INVESTMENTS LIMITED	13015929	18.0851	-	13015929	18.0851	-	-
3.	HERMES COMMERCE LIMITED	4016250	5.5804	-	4016250	5.5804	-	-
4.	RENAISSANCE COMMERCE PRIVATE LTD	4016250	5.5804	-	4016250	5.5804	-	-
	Total	70057451	97.3423	-	70074818	97.3663	-	0.0240

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	SHAPOORJI PALLONJI & CO PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2015	49009022	68.0964	49009022	68.0964
	Purchase 06-July-2015	6309	0.0088	49015331	68.1050
	Purchase 15-Dec-2015	10458	0.0145	49025789	68.1195
	Purchase 8-Mar-2016	600	0.0008	49026389	68.1204
	At the end of the Year 31-Mar-2016	49026389	68.1204	49026389	68.1204
2	FLOREAT INVESTMENTS LIMITED				
	At the beginning of the year 01-Apr-2015	13015929	18.0851	13015929	18.0851
	At the end of the Year 31-Mar-2016	13015929	18.0851	13015929	18.0851
3	HERMES COMMERCE LIMITED				
	At the beginning of the year 01-Apr-2015	4016250	5.5804	4016250	5.5804
	At the end of the Year 31-Mar-2016	4016250	5.5804	4016250	5.5804
4	RENAISSANCE COMMERCE PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2015	4016250	5.5804	4016250	5.5804
	At the end of the Year 31-Mar-2016	4016250	5.5804	4016250	5.5804

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Afcons Shareholding (Holiday Assistance) Trust No.1 Trustee: Homeyar Jal Tavaria JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
2.	Afcons Shareholding (Holiday Assistance) Trust No.2 Trustee: Homeyar Jal Tavaria JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694

AFCONS INFRASTRUCTURE LIMITED

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
3.	Afcons Shareholding (Holiday Assistance) Trust No.3 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
4.	Afcons Shareholding (Educational Assistance) Trust No.1 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
5.	Afcons Shareholding (Educational Assistance) Trust No.2 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
6.	Afcons Shareholding (Educational Assistance) Trust No.3 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
7.	Afcons Shareholding (Health Promotion) Trust No.1 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
8.	Afcons Shareholding (Health Promotion) Trust No.2 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
9.	Afcons Shareholding (Health Promotion) Trust No.3 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694
10.	Afcons Shareholding (General Assistance) Trust No.1 Trustee: Homeyar Jal Tavaría JT1 : Jimmy Jehangir Parakh JT2 : Firoze Kavash Bathena				
	At the beginning of the year 1-April-2015	50000	0.0694	50000	0.0694
	At the end of the year 31-March-2016	50000	0.0694	50000	0.0694

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Name of the Directors			
		Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. S. P. Mistry				
	At the beginning of the year	-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	-	-	-	-
2.	Mr. Pallon S. Mistry				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	-	-	-	-
3.	Mr. N. D. Khurody				
	At the beginning of the year	-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	-	-	-	-
4.	Ms. Roshen M. Nentin				
	At the beginning of the year	3310	0.0045	3310	0.0045
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	3310	0.0045	3310	0.0045
5.	Mr. P. N. Kapadia				
	At the beginning of the year	-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	-	-	-	-
6.	Mr. R. M. Premkumar				
	At the beginning of the year	-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	-	-	-	-
7.	Mr. U. N. Khanna				
	At the beginning of the year	-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	-	-	-	-
8.	Mr. K. Subrahmanian				
	At the beginning of the year	58208	0.0808	58208	0.0808
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	58208	0.0808	58208	0.0808
9.	Mr. S. Paramasivan				
	At the beginning of the year	26280	0.0365	26280	0.0365
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	26280	0.0365	26280	0.0365

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Sr. No.	For Each of the Directors and KMP	Name of the Key Managerial Personnel			
		Shareholding at beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. P. R. Rajendran				
	At the beginning of the year	3942	0.0054	3942	0.0054
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	3942	0.0054	3942	0.0054
2.	Mr. Ashok G. Darak				
	At the beginning of the year	760	0.0010	760	0.0010
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.,)	-	-	-	-
	At the end of the year	760	0.0010	760	0.0010

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

(₹ In Lacs)

	Secured Loan	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	86,046.21	54,023.85	-	1,40,070.06
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1,124.11	-	1,124.11
Total (i + ii + iii)	86,046.21	55,147.96	-	1,41,194.17
Change in indebtedness during the financial year				
• Addition	71,634.75	1,13,099.59	-	1,84,734.34
• Reduction	26,801.67	1,07,116.06	-	1,33,917.73
Net Change	44,833.08	5,983.53	-	50,816.61
Indebtedness at the end of financial year				
i) Principal amount	1,30,879.29	60,233.88	-	1,91,113.17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	897.61	-	897.61
Total (i + ii + iii)	1,30,879.29	61,131.49	-	1,92,010.78

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and /or Manager :

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Mr. K. Subrahmanian Vice Chairman & Managing Director	Mr. S. Paramasivan Deputy Managing Director	Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	172.88	133.50	306.38
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	4.72	3.82	8.54
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, please specify	-	-	-
5.	Others, please specify	-	-	-
	TOTAL (A)	177.60	137.32	314.92
	Ceiling as per the Act #			1,771.62

calculated @10% of the net profits of the Company under section 198 of the Companies Act, 2013.

B. Remuneration to other directors :**1. Independent Directors**

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Mr. N. D. Khurody	Mr. R. M. Premkumar	Mr. P. N. Kapadia	Total Amount
a	Fees for attending Board/Committee meetings	4.00	3.25	4.90	12.15
b	Commission	-	-	-	-
c	Others, please specify	-	-	-	-
	Total (1)	4.00	3.25	4.90	12.15

2. Other Non Executive Directors

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. S. P. Mistry	Mr. Pallon S. Mistry	Ms. Roshen M Nentin	Mr. Umesh Khanna	
a	Fees for attending Board/Committee meetings	1.45	1.20	1.00	1.45	5.10
b	Commission	-	-	-	-	-
c	Others, please specify	-	-	-	-	-
	Total (2)	1.45	1.20	1.00	1.45	5.10
	TOTAL B =(1+2)	17.25				
	Total Managerial Remuneration*	332.17				
	Overall ceiling as per the Act^	1,948.78				

* Total Managerial Remuneration mean Total remuneration to Managing Director, Whole- time Director and Other Directors (being Total of A and B)

^ Calculated @11% of the net profits calculated under section 198 of the Companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total amount
		Mr. Ashok G. Darak Chief Financial Officer	Mr. P. R. Rajendran Company Secretary	
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.47	73.27	133.74
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	0.44	0.21	0.65
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, please specify	-	-	-
5.	Others, please specify	-	-	-
	TOTAL C	60.91	73.48	134.39

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT /COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

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Annexure IV to Boards' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. A brief outline of the company's CSR policy, including :
overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes
Afcons CSR Policy aims at implementing its CSR activities in accordance with section 135 of the Companies Act, 2013 and the Rules thereunder. The CSR Committee shall periodically review the implementation of the CSR.
CSR Policy is available on the website of the Company
www.afcons.com/ web link: <http://www.afcons.com/afcons-csr-policy.html>
2. The Composition of the CSR Committee. :
Mr. K. Subrahmanian – Chairman
Mr. P. N. Kapadia – Member
Mr. Umesh Khanna – Member
3. Average net profit of the Company for last three financials :
years. (₹ 37.66 Crores)
In terms of the definition of Net Profit provided in the Companies (Corporate Social Responsibility Policy) Rules 2014, the profits arising out of overseas branches has not been considered, therefore the profits from Indian operation of the company is showing a loss.
4. Prescribed expenditure (two per cent. of the amount as in :
item 3 above) **Not Applicable**
As the Average Net Profit for the three preceding financial years is negative.
5. Details of CSR spent during the financial year 2015-16.
 - a) Total amount to be spent for the financial year; : **Not Applicable**
 - b) Amount unspent, if any; : **Not Applicable**
 - c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or Programs wise	Amount spent on the project or Programs Sub Heads; (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: direct or through implementing agency
1.	Ashramshala School Project,	Education Schedule VII clause (ii)	1. Padsare, Raigad District 2. School Improvement Programme	₹ 12,20,888/-	Direct Expenditure through corporate office	₹ 12,70,807/-	Direct
2.	Shapoorji Pallonji Rural Solutions Pvt. Ltd.	Schedule VII clause (x)	1. Lucknow 2. Uttar Pradesh	₹ 19,70,748/-	Expenditure along with the Group Companies	₹ 42,60,748/-	Along with Group Companies

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report – **Not Applicable**
7. "The implementation and monitoring of Corporate Social Responsibility policy is in compliance with CSR Objectives of the Company."

Sd/-

K. Subrahmanian

Vice Chairman & Managing Director &
Chairman of the CSR Committee

MANAGEMENT DISCUSSION AND ANALYSIS**OVERVIEW OF THE GLOBAL ECONOMY**

The economic scenario in most parts of the world has not shown significant improvement in terms of recovery from the slowdown in output, consumption and investment. The world's biggest economies, including Japan & China, continue to struggle with slowdown in consumption and services which has driven the commodity market downwards. Oil and commodity producing economies like OPEC member countries and other African nations are facing headwinds in their economies because of this downward trend and this trend continues to impact their balance of payments, fiscal budgets and investment into development. On the other side, select oil and commodity consuming economies like that of ours have benefited from the low prices which then has given government to direct the savings towards infrastructure development.

IMF's baseline projection of Global growth for 2016 is a modest 3.2% with majority of its share coming from emerging market and developing economies. Multiple studies indicate that the growth recovery is expected to pick up in 2017 and beyond as major economies rebalance themselves and activity in commodity exports pick up and the oil prices stabilise at its new normal. The impact of exit of Britain from the European Union on the global growth is still not certain.

In the BRICS group of economies, India is leading the growth with boost in demand of oil. Ambitious policies are being put in place for all-round-development including efforts for improving ease of doing business and strengthening local manufacturing base in India. Brazil's downturn was worse than predicted with political issues creating further pressure. Russia's economy continues to suffer from recession because of the low oil-prices, which is spilling over CIS countries as well. Policy uncertainty along with lower export pressures have put South Africa in a low growth zone. Growth estimates for Middle East economies are dwindling with oil prices expected to remain low. Steps for restraining government spending and subsidy cuts are being undertaken to boost fiscal revenues. However, countries like Kuwait, Iran & Dubai will offer some opportunity.

OVERVIEW OF THE INDIAN ECONOMY

In the present scenario of recovery from slowdown in economic activity, India is playing an important role in boosting global growth. The GDP growth is projected to reach 7.5% in FY 2016-17 making it a front runner amongst large emerging economies. Focus on good governance with social and infrastructure investments will further bolster India's growth position.

India's GDP growth rate in FY 2015-16 was 7.6% with the 4th Quarter almost reaching 8%. A continuing reduction in the import bill on account of lower oil prices and reduced gold imports has resulted in a reducing the current account deficit. Inflation in the last year has been sub 5%. Goods and Services Tax (GST) Bill, on approval is expected to provide significant boost to sentiment, which can further push the investment and growth.

After five years of decline, India jumped 16 ranks to 55th place out of 140 countries in the World Economic Forum's Competitiveness rankings. The infrastructure rankings also jumped by 6 positions to 81st position. India's exports fell 16% in the last financial year. Government's focus on the development of manufacturing and infrastructure sectors could provide the desired impetus for growth.

INDUSTRY STRUCTURE AND DEVELOPMENT

The construction Industry continues to be the 2nd largest employer with more than 3.3 crores people employed by the industry. It also is the 2nd largest contributor to economic activity after the agriculture sector with contribution to India's GDP being more than 8%.

The National Institution of Transforming India Aayog (NITI Aayog) will now be working closely with the Prime Minister's office for monitoring all major schemes under the infrastructure and social sectors, will also give targets to all ministries for achieving the same. This is expected to further boost accountability in the ministries and drive implementation of the ambitious government programs which were launched in last two years.

The government of India is now taking multiple measures to boost the infrastructure sector. The government plans to set up the National Infrastructure Investment Fund (NIIF) with a starting corpus of ₹ 400 billion (US\$ 6.02 billion) for enhancing infrastructure financing in the country. To boost the private investment through the Public-Private-Partnership route, the government has come up with new Hybrid Annuity Model (HAM) for awarding road contracts. This is also expected to clear the way for stranded road projects worth ₹ 250 billion (US\$ 3.76 billion). Inflation adjusted project cost over time is also covered under the provisions of HAM.

Major announcements made in last few years for development of Railways, Roads, Ports, Industrial corridors and other segments are slowly picking up pace in terms of implementation. Reduced pressure on current account deficit along with government's drive for international cooperation, will certainly support financing from governments and international agencies for building up pace in development.

OPPORTUNITIES

India's GDP grew at 7.6% y/y in FY 2016 making it one of the fastest growing large economies in the world. India will need to keep fuelling its infrastructure for remaining on this growth path. The low oil price bonanza of the past year benefited the government to contain the fiscal deficit and increase capital spend. As per World Bank report the largest contribution to the rise in capital spending came from the Roads, Highways and Transport sectors, where capital spending increased by 83% during FY 2016, followed by spending in ministries of rural and urban development and railways.

Development momentum has now picked up under various national infrastructure schemes which have been launched in last two years, like Sagar Mala, Bharat Mala, Inland Waterways. Now, there is a good visibility of opportunities in Roads, Railways, MRTS, Ports and related segments which creates optimism amongst the Indian construction companies.

ROAD

The transport sector is a critical enabler of economic development for India. With the present national growth target of 7+%, it will be important that necessary investment and policies are in place for the development of transport infrastructure. India now has a road network of approximately 33 lakh km which makes it the world's second largest network. To further strengthen this network, the government has set an ambitious target of constructing 41 km of national highways every day in the current fiscal, adding 15,000 km of national highways. To keep this growth momentum going in coming years, the government will be aiming to award contracts for approximately 25,000 km national highway projects in this fiscal.

The sector continues to get a strong budgetary support. In the Union Budget of 2016-17, the Ministry of Road Transport and Highways, and Shipping (MORTHs) has announced a target of ₹ 25 trillion (US\$ 376.53 billion) investment in infrastructure between 2016 and 2019. This will include ₹ 5 trillion (US\$ 75.3 billion) for road, railway and port connectivity projects. For 2016-17, ₹ 550 billion (US\$ 8.28 billion) is allocated for the construction of roads and highways. An additional ₹ 150 billion (US\$ 2.25 billion) will be raised by the National Highways Authority of India (NHAI) through bonds. An investment of ₹ 270 billion (US\$ 4 billion) has also been allocated under the Pradhan Mantri Gram Sadak Yojana for construction of rural roads.

MORTHs is also focusing on strengthening policy mechanism for faster project approvals, suitable exit policy for developers, smooth inter-ministerial coordination for EPC and PPP projects. The ministry is also promoting its Hybrid Annuity Model along with amendments to the Model Concession Agreement (MCA) for PPP Projects. There are approximately 3,800 km of national highway projects which will be launched under the PPP schemes and rest through EPC. MORTHs allows 100% Foreign Direct Investment (FDI) under the automatic route in the road and highways sector, subject to applicable laws and regulation.

With the number of projects being planned to be implemented under the EPC route now increased to more than 75%, we can expect some pricing correction by EPC companies as they get some air to breathe. Success of HAM and other PPP schemes are yet to be seen. In today's turbulent global economic scenario, entry of foreign investors in PPP projects can also be expected as there are limited investment avenues globally.

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RAILWAYS

Indian Railways is the largest passenger carrier and the fourth largest rail freight carrier in the world. With a track route of more than 67,000 km it carries more than 3 million tonne of freight and over 23 million passengers every day. The Ministry of Railways (MoR) has now put a target of commissioning 2,800 km of broad gauge tracks in 2016-17 averaging at over 7 km per day. The average of tracks laid in a day for last 6 years is about 4.3 km per day. This is planned to increase to about 13 km per day in 2017-18 and 19 km per day in 2018-19.

In the 2016-17 Union Budget, MoR launched the largest ever rail budget of ₹ 1.21 trillion (US\$ 18.22 billion). Investment for railways in 2016-17 will receive support from the Union budget for ₹ 450 billion (US\$ 6.77 billion) and internal resources of ₹ 127 billion (US\$ 1.91 billion). Partnerships with states is expected to bring in ₹ 180 billion (US\$ 2.71 billion). Life Insurance Corp. of India and Indian Railway Finance Corp. will also contribute ₹ 23 billion (US\$ 346.38 million) crore and ₹ 217 billion (US\$ 3.26 billion) respectively.

The EPC document standard was finalised by the MoR in the last fiscal. MoR also stated that all projects above ₹ 3 billion (US\$ 45.18 million) are likely to be awarded under the EPC route only. MoR has proposed in its 2016-17 budget to take-up North-South, East-West & East Coast freight corridors under innovative PPP scheme. Indian Railways allows 100 % FDI under the automatic route.

Civil contracts have already been awarded for 84% of the total length of 2,822 km of Eastern and Western Dedicated Freight Corridors (DFC). Feasibility study for the Diamond Quadrilateral network of High Speed Rail corridors has also started and is likely to get into construction phase in coming years. High Speed Rail Corporation of India limited, a subsidiary of Rail Vikas Nigam limited, has been assigned the implementation of High speed rail projects. Mumbai-Ahmedabad is expected to be the first corridor which will be undertaken for implementation.

MRTS / URBAN INFRASTRUCTURE

Mass Rapid Transport Systems such as Metro / Monorail / Light rail have now become a proven solution for efficient urban transportation in cities where rapid urbanization is taking place. More than 300 km of Metro rail systems is now operational in seven cities of India carrying more than 1.2 billion passengers annually.

Multiple Mass Rapid Transit System projects are at various stages of planning and implementation for the following Indian cities: Chandigarh, Meerut, Varanasi, Patna, Guwahati, Bhopal, Indore, Surat, Vadodara, Thane, Vishakhapatnam, Thiruvananthapuram, Khozikode, Tirupati, Combaitore, Mysore, Nagpur, Lucknow and Ahmedabad. EPC and PPP modes of projects will be available for these projects. Competitive intensity for EPC business is expected to stay high. 100% FDI is also permitted in this sector under the automatic route.

This segment has created pressures on profitability of most of the EPC companies. Though sustained opportunities exist, high competition and easy qualification criteria will continue to keep the competitive intensity high in the segment.

PORTS

India has 12 major ports and about 200 non-major ports in its 7,500 km of coastline. Maritime transport enables movement of 90% of the country's trade by volume and 70% by value. About 57% of this cargo traffic is handled by the 12 major ports of India. Increasing trade activities and private participation in port infrastructure development is driving capacity expansion of existing ports along with scope for green-field port development.

The sector is further made attractive by allowing 100% FDI under the automatic route for projects related to the construction and maintenance of ports and harbours. MORTHs has announced a massive investment for development of Indian Ports sector in 2016-17. Ten coastal economic regions are planned to be developed under the Sagar mala (string of ports) project. The government will also be moving forward towards development of the inland waterways as an alternative to road and rail routes to transport goods.

As per the 2016-17 Union Budget outlay, MORTHs plans to invest ₹ 700 billion (US\$ 10.54 billion) in the 12 major ports in the next five years. Also, MORTHs has announced the plan to develop three green-field major ports at Wadhwan in Maharashtra, Sagar in West Bengal and Colachel in Tamil Nadu with the cost of ₹ 250 billion (US\$ 3.76 billion).

Activity towards modernization and expansion of existing major ports has already picked up. Implementation of inland waterway ports is also in progress for the National Waterway 1, but is not moving with the expected speed. Development of green-field major ports is expected to take a couple of years to get into implementation phase.

HYDRO POWER

India is world's 7th largest producer of hydroelectric power with more than 42GW of installed capacity. The Government of India plans to develop 5,000MW of hydro power capacity by 2022. The Government also plans to auction large sized hydropower projects. This will be similar to the auction of Ultra Mega Power Projects (UMPPs) for thermal power plants of capacity 4GW in Sasan (Madhya Pradesh) and Mundra (Gujarat).

As of end of last fiscal, there are around 4,37MW hydro projects which are stalled and another 930MW capacity is critical to commissioning. Government has announced to take proactive steps to clear these projects.

OVERSEAS MARKET

IMF reports indicate that the oil exporting countries in the Middle East lost in excess of US\$ 350 billion in revenue due to lower oil prices in the year 2015. This number is expected to further deepen with an estimated loss of US\$ 500 billion in 2016. The impact is seen in infrastructure spending cuts across the region. GCC nations are also considering measures like raising utility prices to raise revenues. The growth estimates of GCC nations has been cut from 3.3% in 2015 to 1.8% in 2016. The nations do feel that there is a requirement of structural reforms to drive non-oil activities and rebalance the economies. The slowdown in consumption of commodities such as coal and iron-ore continued in China leaving mines in Africa cutting down on output. Though mining companies are hopeful that consumption will recover in next couple of years as major economies realign industrial growth drivers. Non-economic discords such as terrorism, refugee flows and geo-political conflicts are increasingly becoming areas of concern for businesses for their global growth aspirations.

The economies of Commonwealth of Independent States (CIS) took a hard hit in 2015 because of the fall in commodity price fall. The weakness persists, but the economic activity in the region did show signs of resilience as trade with Russia picks up. Gradual recovery of Russia will spread across the CIS region. Analysts estimate Kazakhstan to be one of the biggest gainers here with an expected growth projection of 2% for 2016.

In our neighbourhood, Bangladesh is ready for an aggressive growth in its much neglected infrastructure. The government has announced a US\$ 43 billion budget to support this and targets to grow by 7.2% in 2016-17. Public investment is targeted to increase by more than 30%. In Sri Lanka, the IMF will be supporting the government with a US\$ 1.5 billion loan to support the country's economic reform agenda. Sri Lanka is going through a significant political transition and at the same time faces imbalances from surging imports and falling exports.

The outlook for Association of Southeast Asian Nations (ASEAN) remains stable with growth rates to remain between 4% to 6%. Cambodia, Myanmar, Laos and Vietnam are expected to be the front runners in 2016 with growth rates of more than 7%. The government of Indonesia is lowering its targets for growth amid the weak public spending and various reform programs which are yet to pick up. Thailand aims to accelerated its growth in 2016 and achieve a growth rate of 3.1% driven by government spending. Malaysia aims to drive growth through industrial production expansion and stabilising its exchange rate.

Having achieved successful delivery of projects in overseas markets, we are now aiming to further enhance our presence both in existing markets and newer territories.

BUSINESS OVERVIEW

In the financial year 2015-16, the Company bagged orders worth ₹4,280 crores. Increased level of competitive intensity continued in the sectors where the Company operates. The pending order book position of the company as on 31st March 2016 was ₹10,246 crores. Contribution of international orders to the order book has improved compared to the last year procurement. We aim to further increase the order book size in coming years.

During the last decade, the Company has executed projects in Abu Dhabi, Dubai, Qatar, Mauritius, Madagascar, Oman, Yemen, Algeria, Jordan, Bahrain and Liberia. Currently, the company is executing projects in Bangladesh, Gabon, Kuwait and Dubai. During the year ended 31st March 2016, the Company achieved approx. 18% of its turnover from overseas market. We expect to further improve the international contribution to our turnover in coming years.

The growth of the Company has been well diversified across different segment and geographies on the desired line and focus. All the segments are well balanced and there is no over dependence on any one sector or geography and we remain present in all segments with reasonable participation.

CONSOLIDATED FINANCIAL PERFORMANCE

Your Company has achieved total income of ₹ 4,592.45 crores for the year compared to the previous year's ₹ 4,070.24 crores showing an increase of 12.83%. The EBITDA for the year was ₹ 515.96 crores compared to ₹ 409.66 crores in the previous year resulting in increase by 25.95%. The Consolidated Profit before Tax for the year was ₹145.76 crores compared to ₹ 78.82 crores in the previous year resulting in a increase of 84.93%. The Consolidated Profit after Tax for the year was ₹ 74.35 crores compared to ₹ 53.18 crores in the previous year resulting in increase by 39.81%. Our Order book as on 31st March, 2016 was ₹ 10,246 crores.

RISK AND CONCERNS

A. Global Events

- India being connected with the global economy is not insulated from the events impacting the global economy. Political and economic events which may have an impact on Indian economy could be as under:
- Slowdown in global commodity cycle leading to decreased investment in mining related infrastructure, which will get exacerbate in case of continued slowdown in China's growth.
- Lower global oil prices leading to decreased earning of oil producing economies and lowering of fund allocation for infrastructure development.
- Slower than expected recovery of developed economies from recession.
- Increased competitive intensity for the limited global opportunities.
- Global uncertainties falling out of BREXIT and terrorism.

B. Domestic Events:

- Rise in Non Performing Assets (Bad Loans) necessitating corresponding provision has strained the balance sheets of Indian banks, limiting their lending capacity for high value infrastructure projects.
- Private sector investment could go slow due to their already over leveraged balance sheet.
- Delays in clearances leading to execution delays, thus further stretching the financial position of Infrastructure EPC firms.
- Due to previous couple of year's drought like situation, monsoon will be a key determinant for the economy this year.
- Availability of skilled manpower and high attrition levels of employees in the industry.
- Amendments in the Arbitration Act should yield result by reducing judicial interventions and speed up the expediency in arbitral proceedings.
- Increasing competitive intensity across segments, due to mushrooming of competition in the last few years, and slowdown in award of projects.

Your Company's presence in projects across various segments of construction business both in India as well as abroad has helped to mitigate the above constraints and also ensure long term sustainable growth with profitability.

OUTLOOK

The global capital investment climate continues to be on a slow revival path and will take some more time to pick up pace. Although Indian economy has been affected by the sharp global economic slowdown, it will be one of the fastest growing large developing economies of the world with its GDP growth is likely to be more than 7% during the current year. The pro-development policies and focus on improving ease-of-doing-business of the Indian government are bringing attention of rest of the world to India as an attractive investment destination.

Your company will continue to follow a path of diversification as a key component of its growth. We have been successful to build presence in Middle East region and the African continent and will continue to focus on international expansion. Going forward, your company will target to increase the revenue contribution from overseas to 50%.

Your Company would continue to maintain its status as a prominent Transnational Infrastructure Company recognized for its business innovation, focused on Total Satisfaction and creating enhanced value for all our stakeholders.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The Company is maintaining an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and ensuring compliance with all laws and regulations. The internal control system is managed through continuous internal audit by outside professionals who conduct audits of Project sites of the Company throughout the year to test the adequacy of the internal systems and suggest continual improvements. All significant audit observations and follow up actions are reported to the Audit Committee along with Internal Audit reports and managements responses/replies thereon. The operational control exist through well laid out system of checks and balances and hierarchy of reporting from site level to central management groups to the senior management and the Directors.

HUMAN RESOURCES DEVELOPMENT

The Company HR Policy focuses on:

- Talent Acquisition through a defined talent management strategy in alignment with business goal and targets.
- Imparting Learning and Development to employees and prepare them for their current and future roles.
- Adequate Compensation Package coupled with Incentives, rewards and recognitions.
- Building a culture of innovation and creativity in construction process.

The Company continued to take numerous initiatives towards effective training and development for the employees at various levels. Some of the innovative initiatives includes Anugam-HR Induction program initiated through E-Learning platform, launching of web based knowledge management portals i.e. AFCONIANS and AFCONS GNOSIS, Classroom @ site and Classroom @ HO program as knowledge sharing platform, Whole Wellness Program, focused training sessions and workshops to continuously improve the skill sets of the employees. It is heartening to note that the Company has set new benchmark of training in the industry, in the globe.

The Company endeavour to provide its employees a professional, congenial, safe working environment coupled with opportunities for personal growth and development. In fact, this is one area where Company aspires to become a leader in the industry.

CAUTIONARY STATEMENT

The statement in Management Discussions and Analysis describing the Company's operations and expectations are "forward looking statements". Actual results may differ owing to environmental dynamics.

AFCONS INFRASTRUCTURE LIMITED

REPORT ON CORPORATE GOVERNANCE

I. CORPORATE GOVERNANCE PHILOSOPHY

The Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success.

II. BOARD OF DIRECTORS

a. Composition

As on 31st March, 2016 the Board of Directors of the Company comprised of 9 Directors out of which 2 are Executive Directors and the remaining 7 are Non-Executive Directors. The Chairman of the Board is Non-Executive Director and the Board consists of 3 Independent Directors. All the Directors possess the requisite qualification & experience in Industry, Management, Finance, Research, Law and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

b. Board Meetings and Attendance

During the year 2015-16, Four (4) Board Meetings were held on the following dates 29th June 2015, 20th August, 2015, 15th December 2015 and 22nd March 2016. The notice for the Board Meeting and the detailed agenda papers were circulated to all the Directors well in advance to enable them to attend and take an informed decision at the Meetings.

The minutes of the proceedings of each Board and committee meeting are properly recorded and entered into Minutes book. There is effective post meeting follow up, review and reporting process for decision taken by the Board.

None of the Directors are members of more than ten Board level committees nor are they Chairman of more than five committees in which they are members.

The name and category of the Directors on the Board, their attendance at the Board meetings during the year and at the last Annual General Meeting, as also the number of Directorship & Committee Memberships held by them in other Companies are given below:

Name of the Director	Category	Total no. of Board Meetings during the year 2015-2016		No. of other Directorship(s) in other Public co. ¹	No of Committee position held in other Public co. ²		Whether attended last AGM held on 30.09.2015
		Held	Attended		Chairman	Member	
Mr. S.P. Mistry	Chairman, Non-Executive Director	4	3	5	-	-	Yes
Mr. N.D.Khurody	Independent Director	4	4	1	-	-	Yes
Mr. R.M.Premkumar	Independent Director	4	4	4	-	1	Yes
Mr. P.N.Kapadia	Independent Director	4	3	4	2	4	Yes
Mr. U.N. Khanna	Non-Executive Director	4	3	1	N.A	N.A	Yes
Mr. Pallon S Mistry ^^	Non-Executive Director	4	3	2	N.A	N.A	Yes
Ms. Roshen M Nentin **	Non-Executive Director	4	2	-	N.A	N.A	No
Mr. K.Subrahmanian	Vice Chairman & Managing Director	4	4	-	-	-	Yes
Mr. S.Paramasivan	Dy. Managing Director	4	4	-	-	-	Yes

Note:

^^ Mr. Pallon S Mistry appointed as Additional Director on 29th June 2015 and regularised on 30th September 2015.

** Ms.Roshen M Nentin appointed as Additional Director w.e.f. 1st October, 2015.

- 1 Excludes Directorship in association, Private Companies, Foreign Companies & Companies registered under section 8 of the Companies Act, 2013.
- 2 Chairmanships / Memberships of Audit Committee and Shareholders/ Investor's Grievances Committee in other Public Companies have been considered.
- 3 Mr. N. J. Jhaveri, Director of the Company passed away on 6th June, 2015.

III. AUDIT COMMITTEE

a. The Audit Committee of the Company was constituted on 7th March, 2001.

b. Terms of reference of the Audit Committee:

In compliance with the provisions of Section 177 of the Companies Act, 2013 and the Rules made thereunder, the Board of Directors of the Company at its meeting held on 24th June, 2014 amended the terms of reference of the Audit Committee which are as under:

- Overseeing the Company's financial reporting process and the disclosure of financial information;
- Recommending the appointment and removal of external auditors and fixing of audit fees;
- Review with management the annual financial statements and auditor's report before submission to the Board;
- Review with management, external and internal auditors, the adequacy of internal controls;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;

- Evaluation of internal financial controls and risk management systems;
 - Monitoring the end use of funds raised through public offers and related matters;
 - To obtain professional advice from external sources and have full access to information contained in the records of the company;
 - To oversee the vigil mechanism;
 - In consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
 - All other powers and duties as per Section 177 of the Companies Act, 2013 and the Rules made thereunder.
- c. Four Meetings were held during the year on the following dates:
29th June 2015, 20th August, 2015, 15th December 2015 and 22nd March 2016.
- d. As on 31st March, 2016 Composition of Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N.D.Khurody	Independent Director	Member	4	4
Mr. P.N. Kapadia	Independent Director	Member	4	4
Mr. R.M. Premkumar **	Independent Director	Member	4	3

** Mr.R.M. Premkumar was inducted as member of the Audit Committee w.e.f 29th June 2015.

* Mr. N. J. Jhaveri, Director of the Company passed away on 6th June, 2015.

IV. NOMINATION AND REMUNERATION COMMITTEE

- a. The Committee was originally constituted as Remuneration Committee on 25th March, 2003. In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Rules made thereunder, the Board of Directors of the Company at its meeting held on 24th June, 2014 have renamed the said Committee as "Nomination and Remuneration Committee".
- b. Terms of Reference of the Nomination and Remuneration Committee, as amended by the Board of Directors of the Company at its meeting held on 24th June, 2014, are as under:
- To identify persons who are qualified to become directors and who may be appointed in senior management;
 - To recommend to the Board the appointment/ removal of the Directors or senior management personnel;
 - To carry out evaluation of every Director's performance;
 - To formulate the criteria for determining qualifications, positive attributes and independence of a Director;
 - To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other senior employees;
 - All other powers and authorities as provided under the provisions of Schedule V and other applicable provision of the Companies Act, 2013 and the Rules made thereunder and any amendment thereof, if any, in granting the approval of remuneration to Whole Time Directors and the Managing Directors of the Company.
- c. As on 31st March, 2016 the Composition of Committee and particulars of meetings attended by the members of Nomination and Remuneration Committee are given below :

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N.D.Khurody	Independent Director	Chairman	2	2
Mr. P.N. Kapadia	Independent Director	Member	2	2
Mr. S.P Mistry ^{##}	Non-Executive Director	Member	2	1

^{##} Mr. S .P. Mistry was inducted as member of the Nomination and Remuneration Committee w.e.f 29th June 2015.

* Mr. N. J. Jhaveri, Director of the Company passed away on 6th June, 2015.

- d. Two Meetings were held during the year on the following dates:
29th June, 2015 and 29th September, 2015

e. Remuneration Policy

Remuneration policy of the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

Remuneration to Executive Directors has been decided based on the years of experience and contribution made by the respective Executive Directors and is consistent with the industrial practice. As regards payment of sitting fees to non-executive directors, the same has been within the limit allowed in terms of the Companies Act, 2013.

- f. Details of Remuneration paid to Directors during the financial year 2015-16:

i. Executive Directors

(in ₹ p.a.)

Name of Director	Basic Salary	PF/SA	Perquisites	Total Remuneration
Mr.K.Subrahmanian	36,00,000	9,72,000	1,37,28,000	1,83,00,000
Mr.S.Paramasivan	30,00,000	8,10,000	1,03,89,996	1,41,99,996
	66,00,000	17,82,000	2,41,17,996	3,24,99,996

AFCONS INFRASTRUCTURE LIMITED

The number of stock options granted till date to the Executive Directors is as under:

Name of the Director	Stock options granted till date
Mr. K.Subrahmanian	35,040
Mr. S.Paramasivan	26,280

ii. Non-Executive Directors

The Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board of Directors and / or Committees thereof. The details of the sitting fees paid to the Non-Executive directors are as under:

Name of the Director	Sitting Fees (in INR)	Equity Shareholding in the Company	
		No. of Shares	% holding
Mr.S.P. Mistry	1,45,000	-	-
Mr.N.D.Khurody	4,00,000	-	-
Mr.P.N. Kapadia	4,90,000	-	-
Mr.U.N.Khanna	1,45,000	-	-
Mr.R.M.Premkumar	3,25,000	-	-
Mr. P.S. Mistry ^^	1,20,000	-	-
Ms. R. M. Nentin **	1,00,000	3,310	0.0046
Total	17,25,000	3,310	0.0046

^^ Mr. Pallon S Mistry appointed as Additional Director on 29th June 2015 and regularised on 30th September 2015.

** Ms. Roshen M Nentin appointed as Additional Director on 1st October 2015.

* Mr. N. J. Jhaveri, Director of the Company passed away on 6th June, 2015.

The Company does not have any material pecuniary relation or transactions with its Non-Executive Directors.

V. Corporate Social Responsibility Committee

- In accordance with the requirement of Section 135 of the Companies Act, 2013 and the Rules made thereunder, the Board of Directors of the Company at its meeting held on 24th June, 2014 have constituted a Corporate Social Responsibility Committee.
- The terms of reference of the Corporate Social Responsibility Committee are as under :
 - Framing of Corporate Social Responsibility (CSR) Policy and recommending Board for approval.
 - Implementation & monitoring of CSR Policy.
 - Recommend amendments and improvements in the CSR Policy and its implementation.
 - Recommending spending of CSR Fund
- As on 31st March, 2016 the Composition and particulars of meetings attended by the members of Corporate Social Responsibility Committee is as under:

One Meeting was held during the year on 20th August, 2015.

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr.K.Subrahmanian	Vice Chairman & Managing Director	Chairman	1	1
Mr.P.N.Kapadia	Independent Director	Member	1	1
Mr.Umesh Khanna	Non-Executive Director	Member	1	-

VI. Stakeholders Relationship Committee:

- The Committee was constituted on 28th November 2006 as Shareholders / Investor's Grievances Cum Share Transfer Committee. The Board of Director at its meeting held on 24th September 2008 renamed the said Committee as Shareholders / Investor's Grievance Cum Share Transfer cum ESOP Share Allotment Committee. Thereafter the Committee was again renamed at the meeting of the Board of Directors held on 12th March, 2014 as Shareholder/Investors' Grievance cum Share Transfer cum Shares Allotment Committee ("STC"). The Board of Directors again at the meeting held on 22nd March, 2016 has renamed the committee as Stakeholders Relationship Committee ("SRC").
- The broad terms of reference of SRC is as under:
 - To allot equity shares to the employees exercising the ESOP options granted under the ESOP Scheme 2006 of the Company.
 - To issue and allot Equity Shares, Convertible Preference shares (fully/party/optionally convertible).
 - To exercise such powers and to do all such act, deed, matters and things in connection with the issue and allotment of the Equity Shares, Convertible Preference shares (fully/party/optionally convertible) as the Committee deems fit and proper.
 - To approve transfer of the Equity and Preference Shares of the Company and further delegate such powers to the Registrar for the Transfer of Shares of the Company.
 - To allot Debentures to the Investor.
 - To approve/record Transfer, Dematerialisation / Rematerialisation of Debentures, issue of duplicate Debenture Certificates, issue of new Debenture certificates on split / Consolidation.
 - To look into matters pertaining to the shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, redress complaints of Debentureholder pertaining to the issue including non-receipt of interests, etc.

- To decide on all other matters related to Debentures.
 - To investigate into any matter in relation to areas specified above or referred to it by the Board of Directors and for this purpose will have full access to information contained in the records of the Company.
 - To determine the conversion price of the Convertible Preference shares (fully/party/optionally convertible).
 - To sub-delegate any of the said powers and authorities to any of the Committee members and/or to any other person as the Committee deems fit.
 - To pass any resolution by Circulation.
- c. Four meetings were held during the year on the following dates:
6th July, 2015, 15th December, 2015, 15th January, 2016 & 8th March, 2016.
- d. As on 31st March, 2016 the Composition and attendance of members at the meetings of the Shareholders / Investor's Grievance Cum Share Transfer Cum Share Allotment Committee was as under:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr.P.N.Kapadia	Independent Director	Chairman	4	4
Mr. U. N. Khanna #	Non-Executive Director	Member	4	1
Mr.S.Paramasivan	Deputy Managing Director	Member	4	4

Mr. U.N.Khanna has been inducted as member of the SRC w.e.f 29th June 2015.

- e. Name and Designation of the Compliance Officer
Mr. P.R.Rajendran, Company Secretary is the Compliance officer of the Company.
- f. Status of Investor's Complaints
During the financial year all the letters / complaints received by the Registrar and Share Transfer Agent have been redressed and there were no complaints pending with the Company / Registrar and Share Transfer Agent. All the valid share transfers requests received during the year were duly attended to and processed in time. There was no valid request pending for share transfer as on 31st March 2016.

VII. INDEPENDENT DIRECTORS MEETING

The meeting of the Independent Directors of the Company was held on 22nd March, 2016. As per the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, at the said meeting, the Independent Directors discuss & review the performance of the chairman, Non-independent Directors, Non-Executive directors and executive directors & review the performance of the Board of Directors as a whole. All the independent Directors were present at the Meeting.

VIII. OTHER COMMITTEE OF THE BOARD

A. COMMITTEE OF DIRECTORS

- i. The Committee of Directors was constituted for reviewing the various aspects of business including Operations, Finance, Business Development and to recommend to the Board the strategies for creating better value for the Organisation from all angles.
- ii. During the year under review no meeting was held.
- iii. The Composition of Committee of Directors is as under:

Name of the Director	Category	Position
Mr. S.P. Mistry	Non-Executive Director	Chairman
Mr. N.D. Khurody	Independent Director	Member
Mr. K. Subrahmanian	Vice Chairman & Managing Director	Member
Mr. S. Paramasivan	Deputy Managing Director	Member

* Mr. N. J. Jhaveri, Director of the Company passed away on 6th June, 2015.

B. FCP COMMITTEE

The FCP Committee was formed for issuing Fully Convertible, Non-Cumulative, Non-Participatory Preference Shares (FCPs). Last meeting of the Committee was held on 14th January, 2008. Since all the powers of the FCP Committee were delegated to Shareholders/ Investor's Grievances cum Share Transfer cum Share Allotment Committee, the Board of Directors at the meeting held on 29th June, 2015 dissolved the FCP Committee.

C. COMPENSATION (ESOP) COMMITTEE

The Compensation (ESOP) Committee was formed for implementation, administration and superintendence of the ESOP Schemes and to formulate the detailed terms and conditions of ESOP Scheme. On 22nd December, 2006 the Company has granted 721,150 stock options to its eligible employees under Employees Stock Option Plan. All the Options were availed. The Board of Directors at the meeting held on 29th June, 2015 dissolved the Compensation (ESOP) Committee.

AFCONS INFRASTRUCTURE LIMITED

IX. GENERAL BODY MEETINGS

- a. The details of the Annual General Meetings (AGM) held in the last 3 years:

For Financial Year ended	Location	Date of AGM	Time
31.03.2015	registered office of the Company	30.09.2015	4.30 p.m
31.03.2014	registered office of the Company	30.09.2014	4.30 p.m
31.03.2013	registered office of the Company	26.09.2013	4.30 p.m

- b. Details of Extra Ordinary General Meeting (EGM) held in the last 3 years:

Date of EGM	Location	Time
21.03.2014	registered Office of the Company	11.30 a.m.
10.01.2013	registered Office of the Company	11.30 a.m.

- c. Details of the special resolutions passed at the Annual General Meeting in the previous 3 years:

39 th AGM dated 30.09.2015	<p>i. Consent of the company for raising ₹ 200 Crores (Rupees Two Hundred Crores only) through issue of Unsecured, Redeemable, Unlisted, Rated, Non-Convertible Debentures ("NCDs") on private placement basis in one or more tranches during the period of 1 year from the date of passing of this resolution, pursuant to the provisions of sections 23, 42, 71, 180 and other applicable provisions, if any, of the Companies Act, 2013 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.</p> <p>ii. consent of the company to Increase in limits of investments in other bodies corporate under Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") to invest/acquire the securities of any body corporate by way of subscription/purchase or otherwise, upto a sum of ₹ 100 crores, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account whichever is more.</p>
38 th AGM dated 30.09.2014	<p>i. Consent of the Company for re-appointment of Mr. K. Subrahmanian as Vice Chairman & Managing Director under section 196, 197 & 203 and other applicable provisions if any of the Companies Act, 2013 for further period of 3 years w.e.f 1.7.14 to 30.06.17 on the terms & conditions including remuneration payable to him at any time, subject to limit under section 197, read with Schedule V of the Companies Act, 2013.</p> <p>ii. Consent of the Company for re-appointment of Mr. S. Paramasivan as Deputy Managing Director under section 196, 197 & 203 and other applicable provisions if any of the Companies Act, 2013 for further period of 3 years w.e.f 1.7.14 to 30.06.17 on the terms & conditions including remuneration payable to him at any time, subject to limit under section 197, read with Schedule V of the Companies Act, 2013.</p> <p>iii. Consent of the Company under section 180(1)(c) of the Companies Act, 2013 to borrow money from Company's bankers or any foreign bank or from any other financial institution not exceeding ₹ 3,000 Crores at any time.</p> <p>iv. Consent of the Company under section 180(1)(a) of the Companies Act, 2013 to create charges, mortgages or any other hypothecation on movable or non-movable assets of the Company not exceeding ₹ 15,000 Crores.</p>
37 th AGM dated 26.09.2013	No special resolution was passed at the 37 th AGM.

- d. Details of special resolutions passed at Extraordinary General Meeting (EGM)

EGM dated 21.03.2014	<p>a) Consent to issue 10,00,00,000 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each aggregating to ₹ 100,00,00,000/- to Shapoorji Pallonji and Company Limited.</p> <p>b) (i) Consent of the Company to make/give loan(s) / guarantees/ advances / deposits and to make investments in excess of the limits under section 372A, to direct / indirect subsidiary of the Company set up / likely to be set up in Singapore and Kazakhstan subject to an aggregate limit of ₹ 1,500 Crores and (ii) make investment in equity shares of Tata Consultancy Services Limited subject to the limit of ₹ 100 Crores.</p>
EGM dated 10.01.2013	<p>a) To vary the terms and conditions of 25,00,00,000 0.01% Fully and Compulsorily Convertible, Non- Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each aggregating to ₹ 250,00,00,000 of the Company held by Goswami Infratech Private Limited.</p> <p>b) Alteration of Articles of Association</p> <p>c) Payment of minimum remuneration to Mr. K.Subrahmanian, Vice Chairman & Managing Director.</p> <p>d) Payment of minimum remuneration to Mr. S.Paramasivan, Deputy Managing Director.</p>

- e. During the year One resolution was passed through Postal Ballot

Postal Ballot result declared on 28.03.2016	Consent of the member to the Omnibus approval of related party transactions as stated in the resolution under Section 188 and other applicable provisions, if any, of the Companies Act, 2013.
---------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

X. DISCLOSURES

- a. There were no materially significant related party transactions during the financial year 2015-16 that may have potential conflict with the interests of the Company at large. The detail of the related party transactions as per AS-18 are included in the notes to accounts forming part of the Annual Report.
- b. Although the Company is not listed with any stock Exchange, it voluntarily complies with Corporate Governance requirement of the Listing Agreement.

XI. MEANS OF COMMUNICATION

- a. The Company has its own website and all the vital information relating to the Company is displayed on the website. Address of the website is www.afcons.com.
- b. Annual Report containing Inter alia, Audited Annual Report, Financial Statements, Board's Report, Auditors Report and other important information is circulated to the members and others entitled thereto.

XII. GENERAL SHAREHOLDERS INFORMATION

- a. Annual General Meeting

Date	: 29 th September, 2016
Time	: 4.30 pm
Venue	: Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Mumbai 400 053.
- b. Financial Year : 1st April to 31st March
- c. Date of Book Closure : 23rd September, 2016 to 29th September, 2016 (both days Inclusive)
- d. ISIN No. : INE101I01011
- e. Registrar & Share Transfer Agent : Cameo Corporate Services Limited
Subramanian Building,
1 Club House Road, Chennai-600002
Tel. No.:044-28460390
Fax No.:044-28460129
Email id.: afcons@cameoindia.com
- f. CIN : U45200MH1976PLC019335
- g. Tel : +91 22 67191000
- h. Fax : +91 2226730027 /1031/0047
- i. Email id : rajendran@afcons.com
- j. website : www.afcons.com

XIII. SHAREHOLDING PATTERN AS ON 31st MARCH, 2016.

Sr. No.	Category	No. of Shares	% of total
1	Promoter's holding		
	Indian Promoters -Bodies Corporate	70074818	97.37
	Sub total (1)	70074818	97.37
2	Non Promoters Holding		
	Companies / Bodies Corporate	50000	0.06
	Employees Trust	1191370	1.66
	Directors & their Relatives	107657	0.15
	Employees / Retired Employees / General Public	546393	0.76
	Subtotal (2)	1895420	2.63
	Total (1+2)	71970238	100.00

XIV. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2016

Number of Shares '	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 to 100	70	14.1414	5591	0.0077
101 to 500	277	55.9595	73831	0.1025
501 to 1000	36	7.2727	28694	0.0398
1001 to 2000	23	4.6464	34882	0.0484
2001 to 3000	9	1.8181	21859	0.0303
3001 to 4000	11	2.2222	38813	0.0539
4001 to 5000	8	1.6161	36462	0.0506
5001 to 10000	23	4.6464	161278	0.2240
10001 & above	38	7.6767	71568828	99.4428
Total	495	100.0000	71970238	100.0000

- XV. Address for Correspondence:** Afcons Infrastructure Limited
 Afcons House,16, Shah Industrial Estate,
 Veera Desai Road, Andheri (W), Mumbai – 400053
 Tel.no.: 67191000, Fax.no.: 6730027/26731031
 Website: www.afcons.com

AFCONS INFRASTRUCTURE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AFCONS INFRASTRUCTURE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **AFCONS INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 45(a) of the financial statements regarding legal opinion obtained by the Company that the interest free advances made towards financing the unincorporated joint ventures do not attract Section 186 of the Companies Act, 2013 for the reasons stated therein. The balance of such advances net of payments is aggregating to ₹ 68,309.68 lacs as on 31st March, 2016 (As at 31st March, 2015: ₹ 33,359.55 lacs).

Our opinion is not modified in respect on this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 29(i) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer note 12(b)(ii) to the financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 117364W)

Nilesh.Shah
Partner
(Membership No. 49660)

Place : Mumbai
Date : 27th June, 2016

For J. C. Bhatt & Associates
Chartered Accountants
(Firm Registration No. 130923W)

J.C. Bhatt
Partner
(Membership No. 10977)

Place : Mumbai
Date : 27th June, 2016

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Afcons Infrastructure Limited (“the Company”) as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 117364W)

Nilesh.Shah
Partner
(Membership No. 49660)

Place : Mumbai
Date: 27th June, 2016

For J. C. Bhatt & Associates
Chartered Accountants
(Firm Registration No. 130923W)

J.C. Bhatt
Partner
(Membership No. 10977)

Place : Mumbai
Date: 27th June, 2016

AFCONS INFRASTRUCTURE LIMITED

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties of land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the indenture deed, property card, bank confirmation and other relevant document which evidences title provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of grant of loans and providing guarantees and securities, as applicable. The Company has also complied with Section 186 of the Companies Act, 2013 in respect of making investments, as applicable. Attention is invited to note 45 (a) of the financial statements regarding reliance placed on the legal opinion obtained by the management in the matter of non-applicability of section 186 of the Companies Act 2013 in relation to loan made, guarantee given or security provided as the company is in the business of constructing and delivering infrastructure facilities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. Attention is invited to note 31 regarding the reliance placed on the legal opinion obtained by the management in the matter of non-applicability of section 73 of the Companies Act 2013 and Companies (Acceptance of Deposit) Rules 2014, to Unsecured Unlisted Redeemable Non-Convertible Debentures issued by the Company to banks on a private placement basis and its subsequent transfer to Mutual Funds by the Banks. In respect of unclaimed deposits, the company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March, 2016 on account of disputes by the aforesaid entities are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (₹ in lacs)	Amount Paid / Adjusted (₹ In lacs)	Net Balance (₹ in lacs)
Andhra Pradesh General Sales Tax Act 1957	Sales Tax	Sales Tax appellate Tribunal, Hyderabad	1995-96, 1996-97, 1997-98	16.39	-	16.39
Andhra Pradesh General Sales Tax Act 1957	Sales Tax	Appellate Dy. Commissioner of Commercial taxes, Hyderabad	1997-98	0.75	0.56	0.19
Delhi Value Added Tax Act, 2004	Sales Tax	Addl. Commissioner (Appeals)	2007-08, 2008-09	39.51	10.81	28.69
Karnataka Sales Tax Act, 1957	Sales Tax	Joint Commissioner, Mangalore	2008-09	120.03	61.73	58.29
Madhya Pradesh General Sales Tax Act 1958	Sales Tax	Dy. Commissioner	1985-86	15.09	5.18	9.91
Madhya Pradesh General Sales Tax Act 1958	Sales Tax	Addl. Commissioner	1987-88, 1988-89, 1989-90	15.48	2.00	13.48
Orissa Sales Tax Act, 1947	Sales Tax	Appellate Tribunal of Sales Tax, Cuttack	1998-99	206.74	183.96	22.78
Orissa Sales Tax Act, 1947	Sales Tax	Addn. Commissioner of Sales Tax, Cuttack	1998-99	194.75	151.63	43.12
Orissa Sales Tax Act, 1947	Sales Tax	High Court, Orissa	1999-00	184.07	153.44	30.63
Orissa Sales Tax Act, 1947	Sales Tax	Addn. Commissioner of Sales Tax, Bhubaneswar	2004-05	43.82	28.45	15.37

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (₹ in lacs)	Amount Paid / Adjusted (₹ In lacs)	Net Balance (₹ in lacs)
Tamilnadu General Sales Tax Act, 1959	Sales Tax	Dy. Commissioner Of Commercial Taxes, Chennai	1992-93, 1994-95, 1995-96, 1996-97	13.47	12.47	1.00
West Bengal Sales Tax Act, 1954	Sales Tax	West Bengal Commercial Tax Tribunal, Kolkata	1987-88, 1988-89	11.24	5.32	5.92
West Bengal Sales Tax Act, 1954	Sales Tax	Dy. Commissioner of Commercial Taxes, Durgapur	1994-95	19.57	8.54	11.03
Chapter V, Finance Act, 1994	Service Tax	Commissioner of Central Excise & Service Tax (Appeals-IV), Mumbai	2007-08	1.47	-	1.47
Chapter V, Finance Act, 1994	Service Tax	High Court, Mumbai	2007-08, 2008-09, 2009-10, 2010-11	6,311.39	1,897.96	4,413.43
Chapter V, Finance Act, 1994	Service Tax	Commissioner of Central Excise & Service Tax (Appeals-IV), Mumbai	2009-10	56.98	-	56.98
Chapter V, Finance Act, 1994	Service Tax	CESTAT	2008-2010	229.62	-	229.62
Chapter V, Finance Act, 1994	Service Tax	CESTAT	2008-09	122.57	-	122.57
Chapter V, Finance Act, 1994	Service Tax	CESTAT	2008-09	101.32	-	101.32
Chapter V, Finance Act, 1994	Service Tax	CESTAT	2010-14	5,693.03	-	5,693.03

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The company has not taken any loans or borrowings from Government.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loan has been applied by the Company during the year for the purposes for which it was raised, other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or director of its holding, subsidiary or associate Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 117364W)

Nilesh.Shah
Partner
(Membership No. 49660)

Place : Mumbai
Date: 27th June, 2016

For J. C. Bhatt & Associates
Chartered Accountants
(Firm Registration No. 130923W)

J.C. Bhatt
Partner
(Membership No. 10977)

Place : Mumbai
Date: 27th June, 2016

AFCONS INFRASTRUCTURE LIMITED

Balance Sheet as at 31st March, 2016

	Particulars	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
			₹ in Lacs	₹ in Lacs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	52,197.02	52,197.02
	(b) Reserves and surplus	4	68,305.37	58,411.71
			120,502.39	110,608.73
2	Non-current liabilities			
	(a) Long-term borrowings	5	85,764.50	62,442.25
	(b) Deferred tax liabilities (net)	6	14,706.72	12,405.83
	(c) Other long-term liabilities	7	21,202.52	32,853.27
	(d) Long-term provisions	8	1,329.73	866.97
			123,003.47	108,568.32
3	Current liabilities			
	(a) Short-term borrowings	9	88,018.42	51,950.25
	(b) Trade payables - Total outstanding dues to micro and small enterprises		151.17	69.40
	(c) Trade payables - Total outstanding dues other than micro and small enterprises	10	111,447.99	84,927.61
	(d) Other current liabilities	11	83,509.25	84,506.32
	(e) Short-term provisions	12	3,559.00	2,241.31
			286,685.83	223,694.89
	TOTAL		530,191.69	442,871.94
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	13.A	103,282.18	89,724.44
	(ii) Intangible assets	13.B	272.39	178.39
	(iii) Capital work-in-progress	13.C	12,428.31	17,447.43
			115,982.88	107,350.26
	(b) Non-current investments	14	9,973.84	9,908.81
	(c) Long-term loans and advances	15	17,313.95	16,418.81
	(d) Other non-current assets	16	33,815.51	39,250.31
			177,086.18	172,928.19
2	Current assets			
	(a) Inventories	17	171,699.96	138,327.61
	(b) Trade receivables	18	79,689.71	58,993.45
	(c) Cash and bank balances	19	1,178.76	1,782.55
	(d) Short-term loans and advances	20	82,267.76	48,902.71
	(e) Other current assets	21	18,269.32	21,937.43
			353,105.51	269,943.75
	TOTAL		530,191.69	442,871.94
	See accompanying notes 1 to 50 forming part of the financial statements			
In terms of our report attached			For and on behalf of the Board of Directors	
For DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS		For J.C. BHATT & ASSOCIATES CHARTERED ACCOUNTANTS	S.P.MISTRY Chairman	K.SUBRAHMANYAN Vice Chairman & Managing Director
NILESH SHAH Partner	J.C.BHATT Partner		S.PARAMASIVAN Deputy Managing Director	P.N. KAPADIA Director
			N.D.KHURDY Director	R.M.PREMKUMAR Director
Place: Mumbai Date: 27 th June, 2016			P.R. RAJENDRAN Company Secretary	ASHOK G.DARAK Chief Financial Officer

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

	Particulars	Note No.	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
			₹ in Lacs	₹ in Lacs
1	Revenue from operations	22	360,668.00	301,262.96
2	Other income	23	12,746.47	15,560.81
3	Total revenue (1 + 2)		373,414.47	316,823.77
4	Expenses			
	(a) Cost of construction	24	237,247.70	198,512.28
	(b) Cost of traded Goods	25	3,449.25	957.88
	(c) Employee benefits expense	26	42,199.72	42,000.64
	(d) Finance costs	27	23,213.70	17,871.58
	(e) Depreciation and amortisation expense	13.D	10,865.90	12,466.60
	(f) Other expenses	28	37,295.99	34,886.20
	Total expenses		354,272.26	306,695.18
5	Profit before tax (3 - 4)		19,142.21	10,128.59
6	Tax expense:			
	(a) Current Tax (Including foreign tax ₹ Nil) (Previous year ₹ 556.46 Lacs)		4,175.44	2,610.76
	(b) MAT credit		-	(2,054.30)
	(c) Deferred tax		2,300.89	1,095.19
	(d) Tax expense relating to prior year (Including Mat ₹ 47.03 Lacs, (Previous year ₹ 444.15 Lacs))		168.14	580.11
			6,644.47	2,231.76
7	Profit for the period from continuing operations (5 - 6)		12,497.74	7,896.83
8	Earnings per share (Face value of ₹ 10/- each):	42		
	(a) Basic		17.36	10.96
	(b) Diluted		3.67	2.32
	See accompanying notes 1 to 50 forming part of the financial statements			

In terms of our report attached
For and on behalf of the Board of Directors
**For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS**
**For J.C. BHATT & ASSOCIATES
CHARTERED ACCOUNTANTS**
**S.P.MISTRY
Chairman**
**K.SUBRAHMANIAN
Vice Chairman &
Managing Director**
**NILESH SHAH
Partner**
**J.C.BHATT
Partner**
**S.PARAMASIVAN
Deputy Managing Director**
**P.N. KAPADIA
Director**
**N.D.KHURODY
Director**
**R.M.PREMKUMAR
Director**
**Place: Mumbai
Date: 27th June, 2016**
**P.R. RAJENDRAN
Company Secretary**
**ASHOK G.DARAK
Chief Financial Officer**

AFCONS INFRASTRUCTURE LIMITED

Cash Flow Statement for the year ended 31st March, 2016

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Cash flow from operating activities		
Profit before tax	19,142.21	10,128.59
adjustments for :		
Depreciation	10,865.90	12,466.60
Loss on sale of fixed assets (net)	223.02	63.22
Dividend income	(162.00)	(1,924.18)
Interest income	(9,601.10)	(8,797.37)
Interest expense	21,686.70	16,314.17
Profit distribution from Joint Venture	-	(6,258.00)
Bad / irrecoverable Debtors / Unbilled Revenue / Advances / Duty Scrip w/off	20.84	1.04
Provision for doubtful debtors / advances no longer required written back	(320.03)	-
Share of Loss in a firm in which the Company is a partner / venturer	21.05	0.06
Creditors / Excess Provision for expenses of earlier years written back	(713.83)	(754.95)
Provision for Projected Losses on contract (net)	(50.97)	52.59
Operating profit before working capital changes	41,111.79	21,291.77
(Increase) in Inventories	(33,372.35)	(32,054.39)
(Increase) in Trade receivables	(20,696.26)	(11,387.22)
(Increase) in Loans and Advances and Other Assets	(28,439.62)	(16,398.44)
Increase in Trade, Other payables and Provisions	23,535.61	67,993.38
Cash from Operations	(17,860.83)	29,445.10
Direct taxes - (paid) (including interest)	(903.27)	(4,889.22)
Net Cash flow (used in) operating activities	(18,764.10)	24,555.88
Cash flow from investing activities		
Purchase of fixed assets	(19,498.80)	(19,086.47)
Proceeds from sale of fixed assets	103.43	45.32
Purchase of Investments	(79.93)	(24.64)
Profit distribution from Joint Venture	4,950.00	1,308.00
Loss in a firm in which the Company is a partner / venturer	(21.05)	(0.06)
Dividend received	162.00	1,924.18
Provision for Doubtful Investment	14.90	-
Investment in Other bank balance (made) / redeemed	77.78	(53.46)
Interest received	5,261.76	2,129.08
Net Cash flow (used in) investing activities	(9,029.91)	(13,758.05)
Cash flow from financing activities		
Proceeds from long-term borrowings	55,189.69	35,507.37
Repayment of long-term borrowings	(39,702.27)	(17,778.69)
(Repayment) / Proceeds from short term borrowings - net	36,068.17	(10,387.74)
Interest paid	(21,467.67)	(16,332.04)
Dividend paid on Equity Shares (including tax for previous year) {Interim}	(2,814.50)	(1,079.55)
Dividend paid on Preference Shares (including tax)	(5.42)	(4.10)
Net Cash from financing activities	27,268.00	(10,074.75)
Net (decrease) / increase in cash and cash equivalents	(526.01)	723.08
Cash and cash equivalents at the beginning of the year	1,590.98	867.90
Cash and cash equivalents at the end of the year	1,064.97	1,590.98

Notes

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS-3) "Cash Flow Statements" notified under the Companies (Accounting Standards) Rules, 2006
- Cash and Cash equivalents includes unrealised Profit / (Loss) of ₹ (8.57) Lacs (Previous year ₹ 10.77 lacs) on account of translation of foreign currency bank balances.
- Figures relating to previous year have been recast where necessary to conform to figures of the current year.

In terms of our report attached		For and on behalf of the Board of Directors	
For DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS	For J.C. BHATT & ASSOCIATES CHARTERED ACCOUNTANTS	S.P.MISTRY Chairman	K.SUBRAHMANYAN Vice Chairman & Managing Director
NILESH SHAH Partner	J.C.BHATT Partner	S.PARAMASIVAN Deputy Managing Director	P.N. KAPADIA Director
		N.D.KHURODY Director	R.M.PREMKUMAR Director
Place: Mumbai Date: 27th June, 2016		P.R. RAJENDRAN Company Secretary	ASHOK G.DARAK Chief Financial Officer

Notes forming part of the financial statements for the year ended 31st March, 2016

Note	Particulars
1	Corporate information
	Afcons Infrastructure Limited is an unlisted Public Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Afcons is a part of the Shapoorji Pallonji Group. Afcons has a presence in almost the entire spectrum of infrastructure activities in India and Overseas. The Company is engaged in Marine Works, Highways, Bridges, Metro Works, Power Houses, Tunnels, Oil & Gas, LNG Tanks and other general Civil Engineering Projects both in India and Overseas.
2	Significant accounting policies
2.1	Basis of Preparation of Financial Statements
	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable.
2.2	Use of estimates
	The preparation of financial statements in conformity with Indian GAAP requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as on the date of financial statements. All information on key policies and the basis of the estimates and the major sources of uncertainties have been disclosed along with the respective note. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, classification of current / non current assets / liabilities, etc. Difference between actual results and estimates are recognised in the period in which the results are known / materialise.
2.3	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 based on the available information.
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition) highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
2.4	Tangible Fixed Assets
	Tangible Fixed assets are stated at cost of acquisition/construction; inclusive of inward freight, duties, taxes, installation expenses and any expenses directly attributable to the assets to bring them to site and in working condition for its intended use; or book value and include amounts added on revaluation less accumulated depreciation (refer note 13(D)) and impairment loss, if any. The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.
	Leasehold improvements have been capitalized and are written off over the primary lease term not exceeding five years.
2.5	Intangible Fixed Assets
	Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 – "Intangible Assets".
2.6	Depreciation & Amortisation
	Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
	Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:
	Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road Making, Laboratory & Welding Equipments - 20 Years.
	Tunnel Boring Machines - Length of the tunnel bored over life of the construction project for where it is used.
	Capital Spares - 4 years
	Leasehold land is amortised over the duration of the lease.
	Intangible assets are amortised over their estimated useful life on straight line method as follows:
	Computer Software - 5 years
	The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

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Notes forming part of the financial statements for the year ended 31st March, 2016

Note	Particulars
2.7 Impairment	<p>The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired: (a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.</p> <p>If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.</p> <p>When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.</p>
2.8 Investments	<p>Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, when there is a decline, other than temporary in the value of a long term investment, the carrying amount is reduced to recognize the decline.</p> <p>Investment in shares of subsidiaries registered outside India, are stated at cost by converting at the rate of exchange prevalent at the time of acquisition thereof.</p>
2.9 Inventories	<p>a) Construction materials, stores and spare parts are valued at lower of cost and net realizable value. Cost is determined on the basis of weighted average method. Cost of shuttering materials (included in construction materials), issued to jobs, is charged off equally over a period of four years.</p> <p>b) Construction Work in Progress : Work done remaining to be certified / billed is treated as Construction Work in Progress in the accounts. The same is valued at the realizable value.</p>
2.10 Retention monies	<p>Amounts retained by the clients until satisfactory completion of the contract(s) are recognised in the financial statements as receivables. Where such retention monies have been released by the clients against submission of bank guarantees, the amounts so released are adjusted against receivables from these clients.</p>
2.11 Foreign currency transactions	<p>(i) Company: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.</p> <p>(ii) Integral foreign operations: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company's integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.</p> <p>(iii) Net investment in non-integral foreign operations: The exchange differences on restatement of long-term receivables / payables from / to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal / recovery is recognised.</p> <p>(iv) Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items (net of mark to market gain / loss on related forward contracts / options) are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.</p>
2.12 Revenue recognition on contracts	<p>a. Contract revenue and expenses are recognized, when outcome can be estimated reliably, on the basis of percentage of completion method. Percentage of completion is determined based on the nature of contracts, either in proportion of contract costs incurred upto the reporting date to the estimated total cost or on the basis of physical proportion of the contract work completed as considered appropriate.</p> <p>b. Contract revenue in case of 'Cost Plus' contracts is determined by adding the aggregate cost plus proportionate margin as agreed with the customer.</p> <p>c. Variations (in contracts) and amounts in respect thereof are recognized only when it is probable that the customer(s) will approve them and amounts can be measured reliably.</p> <p>d. Claims and amounts in respect thereof are recognized only when negotiations have advanced to a stage where it is probable that the customer(s) will accept them and amounts can be reliably measured. In the case of Arbitration Awards (the "Awards") which are granted in favor of the Company, the award amount (including interest thereon), are accounted when they are granted and where it is reasonable to expect ultimate collection of such awards.</p> <p>e. Revenue is recognised only when no significant uncertainties exist regarding its measurement and collectability.</p>

Notes forming part of the financial statements for the year ended 31st March, 2016

Note	Particulars
2.13 Export Benefits:	Export benefits in the form of duty credit entitlement licenses granted by the Government of India under the "Served from India" scheme, on the basis of export realizations made, are recognised on the basis and to the extent of actual utilisation and management's estimate of their likely utilisation.
2.14 Provision for Estimated Losses	Estimated losses, if any, in respect of contracts in progress are provided for based upon current estimates of cost to completion.
2.15 Employee benefits	<ul style="list-style-type: none"> i) Gratuity Company's liability towards gratuity is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. ii) Superannuation The trustees of Afcons Infrastructure Limited Superannuation Scheme Trust have taken a Group Superannuation policy from the Life Insurance Corporation of India. Provision for superannuation is made on the basis of premium payable in respect of the aforesaid policy. iii) Provident fund Contribution as required under the statute/ rules is made to the Government Provident Fund. iv) Compensated absences The liability for compensated absences is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date and provided for as incurred in the period in which services are rendered by employees. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. v) Other Benefits The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by the employees is recognized during the period when the employee renders the service. vi) Actuarial gains and losses The actuarial gains and losses are recognised immediately in the statement of Profit and Loss.
2.16 Borrowing costs	Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.
2.17 Segment Reporting	<p>The following accounting policies have been followed for segment reporting:</p> <ul style="list-style-type: none"> i. Segment Revenue includes income directly identifiable with / allocable to the segment. ii. Expenses that are directly identifiable with / allocable to segments are considered for determining the Segment Results. The expenses which relate to the Group as a whole and not allocable to segments are included under Unallocable expenses. iii. Segment assets and liabilities include those directly identifiable with the respective segments.
2.18 Leases	Assets leased out under operating leases are capitalised. Rental Income is recognised on straight line basis over the lease term. Assets acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Lease rentals are charged to Statement of Profit & Loss on straight line basis over the lease term.
2.19 Doubtful debts and advances	Provision is made in the accounts for debts and advances which in the opinion of the management are considered doubtful of recovery.
2.20 Taxation	<p>Income taxes are accounted for in accordance with Accounting Standard (AS-22) "Accounting for taxes on income". Income tax comprises both current and deferred tax. Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.</p> <p>The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.</p> <p>Deferred tax assets arising mainly on account of brought forward losses, items relating to capital losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realisation.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the entity.</p>
2.21 Interest Income	Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates.
2.22 Provisions, Contingent Liabilities and Contingent Assets	Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.
2.23 Derivatives	Interest rates derivatives are marked to market and net loss (if any) is charged to Statement of Profit and Loss.

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Notes forming part of the financial statements for the year ended 31st March, 2016

3. Share Capital

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
(a) Authorised				
Equity shares of ₹ 10 each.	350,000,000	35,000.00	350,000,000	35,000.00
Preference shares of ₹ 10 each.	650,000,000	65,000.00	650,000,000	65,000.00
Total	1,000,000,000	100,000.00	1,000,000,000	100,000.00
(b) Issued, Subscribed and Fully Paid up				
Equity shares of ₹ 10 each. (Refer Note (i) below)	71,970,238	7,197.02	71,970,238	7,197.02
0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares of ₹ 10 each. (Refer Note (ii) below)	100,000,000	10,000.00	100,000,000	10,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares of ₹ 10 each. (Refer Note (iii) below)	250,000,000	25,000.00	250,000,000	25,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares of ₹ 10 each. (Refer Note (iv) below)	100,000,000	10,000.00	100,000,000	10,000.00
Total	521,970,238	52,197.02	521,970,238	52,197.02

Notes:

(i). Rights, preferences and restrictions attached to Equity Shares:

- Rights to receive dividend as may be approved by the Board / Annual General Meeting.
- The Equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

(ii). Rights, preferences and restrictions attached to 0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares:

- The Preference Shares shall be non-cumulative and non profit participating convertible Preference Shares carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares.
- The Preference Shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25 per equity share (consisting of par of ₹10 and a premium of ₹ 58.25) immediately, automatically and without any further act of the parties in the event of conversion of the Preference Shares mentioned in note iii(a) below.
- Every member of the Company holding preference shares has a right to vote in the General Meeting of the Company on resolutions placed before the Company which directly affect the rights attached to his preference shares.

(iii). Rights, preferences and restrictions attached to 0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares:

- The Preference Shares shall be automatically and mandatorily converted into equity shares on 13th January, 2019 ("Mandatory Conversion Date") i.e. on the Eleventh year from the Issue date. The mandatory conversion date of the 0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares has been revised from 13th January, 2013 (5th year from the date of issue) to 13th January, 2019 (11th year from the date of issue) in terms of the consent letter obtained from the preference shareholder and the special resolution passed by the members of the Company at the Extra Ordinary General Meeting of the Company held on 10th January, 2013.
- On Mandatory Conversion Date, the Preference Shares shall be converted into such number of equity shares of the Company constituting 74% of all the outstanding equity share capital of the Company calculated on a fully diluted basis.
- The Preference Shares shall be entitled to fixed non-cumulative preferential dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.
- On return of capital on a liquidation or otherwise of the assets of the Company, the holder of Preference Shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the Preference Shares held by it.
- Every member of the Company holding preference shares has a right to vote in the General Meeting of the Company on resolutions placed before the Company which directly affect the rights attached to his preference shares.

(iv). Rights, preferences and restrictions attached to 0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares:

- The Preference Shares shall be automatically and mandatorily converted into equity shares on 21st March, 2019 ("Mandatory Conversion Date") i.e. on the expiry of Five year from the Issue date.
- On Mandatory Conversion Date, the Preference Shares shall be converted into such number of equity shares of the Company at the price of ₹ 132 per Equity shares (consisting of par of ₹ 10 and a premium of ₹ 122).
- The Preference Shares shall be entitled to fixed non-cumulative preferential dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.
- On return of capital on a liquidation or otherwise of the assets of the Company, the holder of Preference Shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the Preference Shares held by it.
- Every member of the Company holding preference shares has a right to vote in the General Meeting of the Company on resolutions placed before the Company which directly affect the rights attached to his preference shares.

Notes forming part of the financial statements for the year ended 31st March, 2016

3. Share Capital (Continued)

(v). Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	71,970,238	7,197.02	71,970,238	7,197.02
Equity shares outstanding at the end of the year	71,970,238	7,197.02	71,970,238	7,197.02
0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Preference shares outstanding at the end of the year	100,000,000	10,000.00	100,000,000	10,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares at the beginning of the year	250,000,000	25,000.00	250,000,000	25,000.00
Preference shares outstanding at the end of the year	250,000,000	25,000.00	250,000,000	25,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Preference shares outstanding at the end of the year	100,000,000	10,000.00	100,000,000	10,000.00

(vi). Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31 st March, 2016			As at 31 st March, 2015		
	Equity Shares	0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares	0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares	Equity Shares	0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares	0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares
	Number of shares			Number of shares		
Shapoorji Pallonji & Co.Pvt.Ltd., the holding company	49,026,389	-	100,000,000	49,009,022	-	100,000,000
Subsidiaries of the holding company:						
Floreat Investments Limited (FIL)	13,015,929	100,000,000	-	13,015,929	100,000,000	-
Renaissance Commerce Pvt. Limited	4,016,250	-	-	4,016,250	-	-
Hermes Commerce Ltd	4,016,250	-	-	4,016,250	-	-

(vii). Details of shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / Name of shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Shapoorji Pallonji & Co.Pvt.Ltd	49,026,389	68.12	49,009,022	68.10
Floreat Investments Limited	13,015,929	18.09	13,015,929	18.09
Renaissance Commerce Pvt. Ltd	4,016,250	5.58	4,016,250	5.58
Hermes Commerce Ltd.	4,016,250	5.58	4,016,250	5.58
0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares				
Floreat Investments Limited	100,000,000	100.00	100,000,000	100.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares				
Goswami Infratech Private Ltd.	250,000,000	100.00	250,000,000	100.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares				
Shapoorji Pallonji & Co.Pvt.Ltd.	100,000,000	100.00	100,000,000	100.00

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Notes forming part of the financial statements for the year ended 31st March, 2016

4. Reserves and Surplus

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Capital reserve		
Opening balance	19.13	19.13
Closing balance	19.13	19.13
(b) Capital redemption reserve		
Opening balance	12.50	12.50
Closing balance	12.50	12.50
(c) Securities premium account		
Opening balance	1,028.00	1,028.00
Closing balance	1,028.00	1,028.00
(d) Contingencies reserve		
Opening balance	800.00	800.00
Closing balance	800.00	800.00
(e) Debenture redemption reserve		
Opening balance	2,540.00	1,250.00
Add : Transferred from surplus in Statement of Profit and Loss	1,917.00	1,290.00
Closing balance	4,457.00	2,540.00
(f) General reserve		
Opening balance	6,570.05	6,570.05
Closing balance	6,570.05	6,570.05
(g) Surplus in Statement of Profit and Loss		
Opening balance	47,442.03	42,474.98
Add: Profit for the year	12,497.74	7,896.83
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Refer Note 47)	-	338.97
Less: Appropriations		
Interim Dividend on Equity Shares (₹ 3.00 per share) (Previous Year ₹ 1.50 per share)	2,159.11	1,079.55
Proposed Dividend on Preference Shares (₹ 0.001 per share) (Previous Year ₹ 0.001 per share)	4.50	4.50
Tax on Dividend	440.47	216.76
Transferred to Debenture redemption reserve	1,917.00	1,290.00
Closing balance	55,418.69	47,442.03
Total	68,305.37	58,411.71

5. Long-term borrowings

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Debentures (Unsecured) (Refer Note 5A)	30,000.00	20,000.00
(b) Working Capital loans (Refer Note (i) of 5B)		
From banks		
Secured	20,000.00	15,000.00
(c) Equipment Loan (Secured) (Refer Note (ii) of 5B)		
From banks		
Rupee Loan	28,000.00	10,514.83
Foreign Currency Loan	7,287.50	15,436.32
(d) Other loans and advances (Refer Note (iii) of 5B)		
Foreign Currency Loan (Secured)		
Buyers Credit from Banks	477.00	1,491.10
Total	85,764.50	62,442.25

Notes forming part of the financial statements for the year ended 31st March, 2016

5. Long-term borrowings (Continued)

(A) Details of Debentures

Particulars		Terms of repayment	As at 31 st March, 2016		As at 31 st March, 2015	
			Secured	Unsecured	Secured	Unsecured
			₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
<u>Unsecured, Redeemable, Unlisted, Non-Convertible Debentures (NCDs)</u>						
i)	10.45% NCDs	Refer Note (i) below	-	10,000.00	-	10,000.00
ii)	9.99% NCDs	Refer Note (ii) below	-	5,000.00	-	5,000.00
iii)	9.87% NCDs	Refer Note (iii) below	-	5,000.00	-	5,000.00
iv)	9.05% NCDs	Refer Note (iv) below	-	10,000.00	-	-
Total Non-Convertible Debentures			-	30,000.00	-	20,000.00

Notes:

- The NCDs carry interest @ 10.45% per annum payable quarterly and are redeemable in full at the end of 5 years from the date of issue i.e. 12th February, 2018. The NCDs carry a Put option to the holders and a Call option to the Company to get the NCDs redeemed at any time after 3 1/2 years from the date of allotment i.e. 12th August, 2016, by giving a 30 days notice to the other party.
- The NCDs carry interest @ 9.99% per annum payable annually and are redeemable in full at the end of 3 years and 40 days from the date of allotment i.e. 26th April, 2018.
- The NCDs carry interest @ 9.87% per annum payable semi annually and are redeemable in full at the end of 5 years and 20 days from the date of allotment i.e. 6th April, 2020.
- The NCDs carry interest @ 9.05% per annum payable semi annually and are redeemable in full at the end of 5 years from the date of allotment i.e. 15th January, 2021. The NCDs carry a Put option to the holders and Call option to the Company to get the NCDs redeemed at any time after 3 years 3 months and 16 days from the date of allotment i.e. 30th April, 2019, by giving 30 days notice to the other party.

(B) Details of terms of repayment of long-term borrowings from Banks and security provided in respect thereof:

Particulars	Terms of repayment and security	As at 31 st March, 2016		As at 31 st March, 2015	
		Secured ₹ in Lacs	Unsecured ₹ in Lacs	Secured ₹ in Lacs	Unsecured ₹ in Lacs
(i) Working Capital loans from banks	Refer Note (i & ii) below				
Axis Bank Ltd. (Refer Note (i) below)		10,000.00	-	-	-
State Bank of India (Refer Note (i) below)		10,000.00	-	15,000.00	-
Total - Term Loan		20,000.00	-	15,000.00	-
(ii) Equipment Loan from banks	Refer Note (iii) below				
Rupee Loan:					
Indian Overseas Bank		-	-	514.83	-
State Bank of India		28,000.00	-	10,000.00	-
Foreign Currency Loan (ECB):					
DBS Bank Ltd		-	-	3,742.14	-
HSBC Bank		-	-	3,742.14	-
Societe Generale		7,287.50	-	7,952.04	-
Total - Equipment Loan		35,287.50	-	25,951.15	-
(iii) Other Loans and Advances from banks - Buyer's Credit Foreign Currency Loans	Refer Note (iv) below				
State Bank of India		-	-	1,491.10	-
Yes Bank		477.00	-	-	-
Total - Other loans and advances		477.00	-	1,491.10	-
Total Long-term Borrowings from Banks		55,764.50	-	42,442.25	-

Notes:

- Working Capital loan from Axis Bank is secured by subservient charge over current assets and Working Capital loan from State Bank of India is secured by second charge on Plant and Machinery.

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Notes forming part of the financial statements for the year ended 31st March, 2016

5. Long-term borrowings (Continued)

- (ii) Working Capital loans from Banks carry interest ranging from respective bank's Base rate + 0.50% to respective bank's Base rate + 0.70% per annum. The repayment schedule of the loans are as follows.

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20
Axis Bank Ltd.	10,000.00	-	1 installment of ₹ 10,000.00	-
State Bank of India	10,000.00	2 installments of ₹ 2,500.00 each	1 installment of ₹ 2,500.00	1 installment of ₹ 2,500.00

Previous Year

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2016-17	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20
State Bank of India	15,000.00	2 installments of ₹ 2,500.00 each	2 installments of ₹ 2,500.00 each	1 installment of ₹ 2,500.00	1 installment of ₹ 2,500.00

- (iii) Secured by first pari passu charge on Plant & Machinery. The Rupee loans carry interest ranging from Base rate + 0.65% to Base rate + 0.75% per annum and Foreign currency loan carry interest ranging from Libor + 2.35% to Libor + 2.70% per annum. The repayment schedule of the loans are as follows.

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20	Repayment in 2020-21	Repayment in 2021-22	Repayment in 2022-23
Rupee Loan:							
State Bank of India	28,000.00	Installments of ₹ 2,000.00, ₹ 3,333.00	Installments of ₹ 2,000.00, ₹ 3,333.00	Installments of ₹ 2,000.00, ₹ 3,333.00	Installments of ₹ 2,000.00, ₹ 3,333.00	1 installments of ₹ 3,333.00	1 installments of ₹ 3,335.00
Foreign Currency Loan:							
Societe Generale	7,287.50	2 installments of ₹ 662.50 each	2 installments of ₹ 993.75 each	2 installments of ₹ 993.75 each	2 installments of ₹ 993.75 each	-	-

Previous Year

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2016-17	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20	Repayment in 2020-21
Rupee Loan:						
Indian Overseas Bank	514.83	1 Installments of ₹ 514.83	-	-	-	-
State Bank of India	10,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00
Foreign Currency Loan:						
DBS Bank Ltd	3,742.14	3 installments of ₹ 1247.38 each	-	-	-	-
HSBC Bank	3,742.14	2 installments of ₹ 1,871.07 each	-	-	-	-
Societe Generale	7,952.04	Installments of ₹ 467.77 & ₹ 623.69	2 installments of ₹ 623.69 each	2 installments of ₹ 935.54 each	2 installments of ₹ 935.53 each	2 installments of ₹ 935.53 each

- (iv) The Loan carry interest @ Libor + 0.86% per annum.

Secured by a first charge by way of equitable mortgage on the immovable properties of the Company situated in Andheri, Mumbai on a pari-passu basis with other consortium banks. It is further secured by hypothecation of the Company's stocks of construction materials, stores, work in progress, book debts and first charge on plant and machinery of the Company on pari-passu basis with other consortium banks and term lenders upto 50% of the Fund Based Limits

The repayment schedule of the loans are as follows:

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2018-19
Yes Bank	477.00	1 installments of ₹ 477.00

Previous Year

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2016-17
State Bank of India	1,491.10	Installments of ₹ 156.75, ₹ 156.74, ₹ 199.13, ₹ 420.52 & ₹ 557.96

Notes forming part of the financial statements for the year ended 31st March, 2016

6. Major components of deferred tax (assets) and liabilities are as under:

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Deferred tax liability / (asset)		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	5,335.92	4,720.04
Arbitration Awards (including interest)	10,966.90	9,755.14
Tax effect of items constituting deferred tax liability	16,302.82	14,475.18
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for compensated absences, gratuity and other employee benefits	(664.89)	(487.47)
Provision for doubtful debts / advances	(604.36)	(715.12)
Provision for projected losses	(154.36)	-
Others (includes carry forward losses, etc.)	(172.49)	(866.76)
Tax effect of items constituting deferred tax assets	(1,596.10)	(2,069.35)
Net deferred tax liability	14,706.72	12,405.83

7. Other long-term liabilities

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Trade Payables - Retention monies	7,240.65	4,156.67
(b) Others:		
(i) Advances from customers	13,961.87	28,673.46
(ii) Statutory remittances (VAT, Service Tax, etc.)	-	23.14
Total	21,202.52	32,853.27

8. Long-term provisions

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Provision for employee benefits:		
(i) Provision for compensated absences	818.28	675.10
(ii) Provision for gratuity (net) (Refer Note 39)	511.45	191.87
Total	1,329.73	866.97

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

9. Short-term borrowings

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Working Capital Demand Loans		
From banks		
Secured (Refer Note below)	15,000.00	-
	15,000.00	-
(b) Short term Loans from Bank		
Foreign Currency Loan:		
Buyers Credit (Secured) (Refer Note below)	1,670.49	-
Packing Credit Finance:		
Secured (Refer note below)	6,625.00	-
Unsecured	-	935.54
	8,295.49	935.54
(c) Cash Credit Facility from Banks (Secured) (Refer Note below)	33,591.44	16,802.29
(d) Commercial Papers (Unsecured)		
From Banks		
Face Value	2,000.00	5,000.00
Less: Discount not written-off	129.59	370.76
	1,870.41	4,629.24
From Other parties		
Face Value	29,500.00	30,840.00
Less: Discount not written-off	238.92	1,256.82
	29,261.08	29,583.18
(Maximum amount outstanding during the year ₹ 60,670.39 Lacs) (Previous Year ₹ 55,000.05 Lacs)		
Total	88,018.42	51,950.25

Note:

Details of security for the secured short-term borrowings:

Particulars	Terms of repayment and security	As at 31 st March, 2016	As at 31 st March, 2015
		₹ in Lacs	₹ in Lacs
Working Capital Demand Loans (WCDL)			
From banks:			
IDBI Bank Ltd.	} Refer Note below	5,000.00	-
Export Import Bank of India		10,000.00	-
Short Term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Yes Bank Ltd.	Refer Note below	1,670.49	-
Packing Credit Finance:			
State Bank of India	Refer Note below	6,625.00	-
Cash Credit Facility	Refer Note below	33,591.44	16,802.29

Note: Above borrowings and secured borrowings of Joint Ventures are secured by a first charge by way of equitable mortgage on the immovable properties of the Company situated in Andheri, Mumbai on a pari-passu basis with other consortium banks. It is further secured by hypothecation of the Company's stocks of construction materials, stores, work in progress, book debts and first charge on plant and machinery of the Company on pari-passu basis with other consortium banks and term lenders upto 50% of the Fund Based Limits. Cash credit facility and Working Capital Demand Loan is further secured by the Company's proportionate share of Current Assets in all the Joint Ventures both present and future. Buyers Credit from banks carry interest ranging from Libor + 0.34 bps per annum to Libor + 0.45 bps per annum and Cash Credit Facility and Working Capital Demand Loan from Banks carry interest ranging from 8.80% per annum to 12.25% per annum.

Notes forming part of the financial statements for the year ended 31st March, 2016

10. Trade payables - Total outstanding dues other than micro and small enterprises

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Acceptances	3,057.15	3,660.92
Other than Acceptances		
Total outstanding dues other than to micro, medium and small enterprises	108,390.84	81,266.69
Total	111,447.99	84,927.61

11. Other current liabilities

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Current maturities of long-term debt (Refer Note (i) below)	18,227.86	26,801.67
(b) Interest accrued but not due on borrowings	508.87	289.84
(c) Advance against sale of scrap	64.42	131.35
(d) Unclaimed / unpaid dividends (Refer Note (ii) below)	52.54	26.85
(e) Unpaid matured deposits and interest accrued thereon	-	0.61
(f) Other payables		
(i) Statutory remittances (VAT, Service Tax, etc.)	1,888.92	2,579.49
(ii) Interest accrued on advance from customers	1,131.97	551.42
(iii) Trade / security deposits received	2,280.05	153.07
(iv) Advances from customers	52,522.50	47,099.13
(v) Amount received on invocation of Bank Guarantees	6,832.02	6,872.79
(vi) Others	0.10	0.10
Total	83,509.25	84,506.32

Note: (i) Refer Notes B(i), B(ii) and B(iii) in Note 5 - Long-term borrowings for details of security.

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Working Capital Loans from Banks (Secured)	5,000.00	12,500.00
(b) Equipment Loans from Banks (Secured)		
Ruppee Loan	2,514.75	3,740.18
Foreign Currency Loans	9,109.38	9,667.20
(c) Other loans and advances (Secured)		
Foreign Currency Loan		
Buyers Credit from Banks	1,603.73	894.29
Total	18,227.86	26,801.67

(ii) This does not include any amount due and outstanding to be credited to the Investor Education and Protection Fund.

12. Short-term provisions

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for compensated absences	84.01	65.01
(ii) Provision for gratuity (net) (Refer Note 39)	507.46	476.55
	591.47	541.56
(b) Provision - Others:		
(i) Provision for tax (net of advance tax ₹ 1,914.80 Lacs) (As at 31 st March, 2015 ₹ 2,013.47 lacs)	2,516.08	981.49
(ii) Provision for projected loss on contract	446.03	497.00
(iii) Proposed dividend on Preference shares	4.50	4.50
(iv) Tax on proposed dividend on Preference / Equity Shares	0.92	216.76
	2,967.53	1,699.75
Total	3,559.00	2,241.31

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

13. Fixed assets

A. Tangible assets

Particulars	Gross block			Depreciation / Amortisation				Net Block Balance as at 31 st March, 2016
	Balance as at 1 st April, 2015	Additions	Disposals	Balance as at 31 st March, 2016	Depreciation/ amortisation expense for the year	Adjustments	Eliminated on disposal of assets	Balance as at 31 st March, 2016
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
(a) Land								
Freehold	1.58	-	-	1.58	-	-	-	1.58
Leasehold	16.58	-	-	16.58	0.16	-	-	15.30
(b) Buildings	1,853.54	1,405.83	-	3,259.37	58.13	-	-	1,761.31
(c) Plant and Equipment	123,676.80	21,456.29	(742.86)	144,390.23	8,816.95	-	(505.62)	87,321.19
(d) Furniture and Fixtures	2,335.14	457.19	(53.33)	2,739.00	266.03	-	(12.70)	1,989.99
(e) Vehicles	1,123.63	283.25	(134.52)	1,272.36	310.07	-	(94.91)	907.59
(f) Office Equipments	2,253.27	674.63	(37.97)	2,889.93	322.15	-	(29.00)	950.11
(g) Leasehold improvements	279.22	-	-	279.22	-	-	-	-
(h) Floating Equipments	16,014.99	266.79	-	16,281.78	1,045.48	-	-	10,298.65
(i) Laboratory Equipments	85.45	-	-	85.45	1.28	-	-	36.46
Total	147,640.20	24,543.98	(968.68)	171,215.50	10,659.79	-	(642.23)	67,933.32

Previous Year

Particulars	Gross block			Depreciation / Amortisation				Net Block Balance as at 31 st March, 2015
	Balance as at 1 st April, 2014	Additions	Disposals	Balance as at 31 st March, 2015	Depreciation / amortisation expense for the year	Other adjustments / Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Eliminated on disposal of assets	Balance as at 31 st March, 2015
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
(a) Land								
Freehold	1.58	-	-	1.58	-	-	-	1.58
Leasehold	16.58	-	-	16.58	0.16	-	-	15.46
(b) Buildings	1,853.54	-	-	1,853.54	25.10	-	-	413.61
(c) Plant and Equipment	114,137.26	9,827.71	(288.17)	123,676.80	10,488.82	84.98	(192.81)	74,919.09
(d) Furniture and Fixtures	1,564.23	776.98	(6.07)	2,335.14	231.96	4.68	(1.66)	1,839.46
(e) Vehicles	857.16	266.47	-	1,123.63	125.69	0.82	-	813.56
(f) Office Equipments	2,004.57	262.44	(13.74)	2,253.27	373.83	334.48	(8.49)	606.60
(g) Leasehold improvements	279.22	-	-	279.22	-	-	-	-
(h) Floating Equipments	15,954.46	144.07	(83.54)	16,014.99	1,075.65	93.41	(80.02)	11,077.34
(i) Laboratory Equipments	85.45	-	-	85.45	2.61	-	-	37.74
Total	136,754.05	11,277.67	(391.52)	147,640.20	12,323.82	518.37	(282.98)	89,724.44

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

13. Fixed assets (Continued)

Notes:

- (1) Some of the Fixed assets viz., Plant & Equipment, (including certain items fully written off in previous years) Laboratory Equipment, Barges (Floating equipments), New & Old Workshop and Office Building as on 1st April, 1990 were revalued on the basis of the valuation made by the external valuers resulting in net increase of ₹ 4,551.21 lacs being surplus on revaluation.
- (2) Revalued amounts substituted for Historical Cost as at 1st April, 1990 and included under Gross Block are as under :
 - i) Plant & Equipment ₹ 4,261.48 lacs
 - ii) Laboratory Equipments ₹ 124.45 lacs
 - iii) Workshop & Godown ₹ 466.02 lacs
 - iv) Buildings ₹ 1,260.00 lacs
 - v) Barges (Floating Equipments) ₹ 899.78 lacs
- (3) Additions for the year includes foreign exchange capitalised during the year amounting to ₹ 28.97 Lacs (Previous Year ₹ 0.57 Lacs). The balance amount of Foreign exchange fluctuation, capitalised as a part of cost of Tangible Assets, remaining to be amortised is ₹ 956.97 Lacs (Previous year ₹ 901.79 Lacs).

B. Intangible assets

Particulars	Gross block (At cost)			Amortisation			Net Block
	Balance as at 1 st April, 2015	Additions	Disposals	Balance as at 31 st March, 2016	Amortisation for the year	Eliminated on disposal of assets	Balance as at 31 st March, 2016
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Computer software - Acquired	799.22	300.11	-	1,099.33	206.11	-	826.94
							272.39

Previous Year

Particulars	Gross block (At cost)			Amortisation			Net Block
	Balance as at 1 st April, 2014	Additions	Disposals	Balance as at 31 st March, 2015	Amortisation for the year	Eliminated on disposal of assets	Balance as at 31 st March, 2015
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Computer software - Acquired	795.08	4.14	-	799.22	142.78	-	620.83
							178.39

C. Capital Work in Progress ₹ 12,428.31 Lacs (Previous year ₹ 17,447.43 Lacs)

(Capital work in progress includes capitalised foreign exchange fluctuation ₹ 1,040.22 Lacs (Previous year ₹ 605.68 Lacs))

D. Depreciation and amortisation:

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Depreciation and amortisation for the current year on tangible assets as per (A) above	10,659.79	12,323.82
Depreciation and amortisation for the current year on intangible assets as per (B) above	206.11	142.78
Depreciation and amortisation as per Statement of Profit and Loss	10,865.90	12,466.60

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

14. Non-current investments

Particulars	Face Value	As at 31 st March, 2016		As at 31 st March, 2015	
		Quantity	Amount	Quantity	Amount
			₹ in Lacs		₹ in Lacs
A. Trade (Fully paid, at cost):					
(a) Investment in equity instruments (Unquoted) :					
(i) of subsidiaries					
Hazarat & Co.Pvt.Ltd.	₹ 10	202,610	20.26	202,610	20.26
Afcons Offshore & Marine Services Pvt. Ltd.	₹ 10	100,000	25.50	100,000	25.50
Afcons Corrosion Protection Pvt. Ltd.	₹ 10	80,000	6.40	80,000	6.40
Afcons Construction Mideast LLC.*	AED 1000	147	17.65	147	17.65
Afcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL.*	KD 1200	49	95.67	49	95.67
Afcons Overseas Construction LLC, Qatar.*	QAR 1000	98	14.90	98	14.90
Afcons Mauritius Infrastructure Ltd.	Euro 1	1,100,000	917.19	1,100,000	917.19
Acons Overseas Singapore Pte. Ltd.	SGD 1	50,000	24.15	50,000	24.15
Afcons Saudi Constructions LLC.	SAR 100	4,750	79.93	-	-
(ii) of associates					
Afcons (Mideast) Constructions & Investments Pvt. Ltd.#	₹ 100	1	-	1	-
(iii) of Joint Ventures - jointly controlled entity					
Afcons Sener LNG Construction Projects Pvt.Ltd.	₹ 10	4,900	0.49	4,900	0.49
			1,202.14		1,122.21
Less: Provision for Diminution in value of Investment @			14.90		-
			1,187.24		1,122.21
* Subsidiary on the basis of control on the composition of the Board of Directors.					
# denotes value less than rupees one thousand.					
@ Provision is for Afcons Overseas Construction LLC, Qatar					
(b) Investment in partnership firms :					
Afcons Pauling Joint Venture (Refer Note (iv) below)			174.00		174.00
Total - Trade (A)			1,361.24		1,296.21
B. Other investments (Fully paid, at cost):					
(a) Investment in equity instruments (Quoted):					
Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	29.34	40,072	29.34
Hindustan Construction Co. Ltd.	₹ 1	2,000	0.03	2,000	0.03
Simplex Infrastructures Ltd.	₹ 2	500	0.04	500	0.04
ITD Cementation India Ltd.	₹ 1	1,000	0.42	100	0.42
Gammon India Ltd.	₹ 2	250	0.06	250	0.06
Tata Consultancy Services Ltd.	₹ 1	400,000	8,572.61	400,000	8,572.61
			8,602.50		8,602.50
(b) Investment in equity instruments (Unquoted)					
Simar Port Ltd.	₹ 10	1,000	0.10	1,000	0.10
(c) Investment in mutual funds (Unquoted):					
SBI Infrastructure Fund	₹ 10	50,000	5.00	50,000	5.00
UTI Infrastructure Fund - Growth Plan	₹ 10	12,731	5.00	12,731	5.00
			10.00		10.00
Total - Other investments (B)			8,612.60		8,612.60
Total (A+B)			9,973.84		9,908.81
Notes:					
(i) Aggregate amount of quoted investments			8,602.50		8,602.50
(ii) Aggregate market value of quoted investments			10,096.65		10,234.30
(iii) Aggregate amount of unquoted investments			1,371.34		1,306.31

(iv) Other details relating to investment in partnership firms

Name of the firm	As at 31 st March, 2016			As at 31 st March, 2015		
	Names of partners in the firm	Total capital (₹ in Lacs)	Share of each partner in the profits of the firm	Names of partners in the firm	Total capital (₹ in Lacs)	Share of each partner in the profits of the firm
Afcons Pauling Joint Venture	Afcons Infrastructure Limited	174.00	95.00%	Afcons Infrastructure Limited	174.00	95.00%
	Pauling Plc	-	5.00%	Pauling Plc	-	5.00%

Notes forming part of the financial statements for the year ended 31st March, 2016

15. Long-term loans and advances (Unsecured, considered good unless otherwise specified)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Capital advances	671.07	968.27
(b) Security deposits		
Unsecured, considered good	659.57	543.84
(c) Prepaid expenses	204.54	147.01
(d) Advance income tax (net of provisions ₹ 4011.63 Lacs) (As at 31 st March, 2015 ₹ 1,469.84 Lacs)	3,306.38	4,890.20
(e) MAT credit entitlement	6,516.28	6,692.07
(f) Balances with government authorities		
(i) VAT credit receivable	5,920.12	3,151.82
(ii) Other Deposits	35.99	25.60
	5,956.11	3,177.42
Total	17,313.95	16,418.81

16. Other non-current assets

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Long-term trade receivables - Under arbitration and Retention monies		
Unsecured, considered good	10,990.53	12,716.65
Doubtful	1,675.58	1,995.61
	12,666.11	14,712.26
Less: Provision for doubtful trade receivables	1,675.58	1,995.61
	10,990.53	12,716.65
(b) Construction Work-in-Progress - Under arbitration		
Unsecured, considered good	10,624.07	14,054.83
Doubtful	7.00	7.00
	10,631.07	14,061.83
Less: Advances received	131.97	2.55
Less: Provision for doubtful Construction Work-in-Progress	7.00	7.00
	10,492.10	14,052.28
(c) Interest on trade receivables as per arbitration awards	12,332.88	11,389.42
(d) Other Loans and Advances (Doubtful)	63.73	63.73
Less: Provision for other doubtful loans and advances	63.73	63.73
	-	-
(e) Other Bank Balances *	19.10	19.10
Less : Provision	19.10	19.10
	-	-
(f) Receivable under foreign currency contracts	-	1,091.96
Total	33,815.51	39,250.31

* The balances in these bank accounts are subject to exchange control restrictions for repatriation.

17. Inventories

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Construction Materials - at lower of cost and net realisable value		
Steel	8,626.98	8,005.51
Cement	1,540.97	764.20
Aggregate	9,856.70	1,016.27
Bitumen	443.61	2.45
Shuttering Material	4,631.26	4,026.54
Sand	836.06	241.39
Other Construction Material	6,055.15	3,256.80
	31,990.73	17,313.16
(b) Stores and spares - at lower of cost and net realisable value	15,115.53	8,799.25
	15,115.53	8,799.25
(c) Construction Work-in-Progress		
At estimated realisable value	181,982.50	151,778.11
Less: Advances received	57,388.80	39,562.91
	124,593.70	112,215.20
Total	171,699.96	138,327.61

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

18. Trade receivables

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	48,249.87	35,812.61
Other Trade receivables		
Unsecured, considered good	31,439.84	23,180.84
Total	79,689.71	58,993.45

19. Cash and cash equivalents

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
A. Cash and cash equivalents		
(a) Cash on hand	120.63	94.87
(b) Balances with banks		
(i) In current accounts	944.34	1,496.11
Total - cash and cash equivalents (A)	1,064.97	1,590.98
B. Other bank balances		
(a) In other deposit accounts		
- Original maturity more than 3 months	4.60	4.60
(b) In earmarked accounts		
- Unpaid dividend accounts	52.54	26.85
- Balances held as margin money or security against borrowings, guarantees and Other commitments	9.02	8.49
- Other earmarked accounts (Refer Note (i) below)	47.63	151.63
Total - Other bank balances (B)	113.79	191.57
Total cash and cash equivalents (A+B)	1,178.76	1,782.55

Note:

- (i) Balance with banks-other earmarked accounts Include deposits ₹ 10.86 Lacs (Previous Year ₹ 10.86 Lacs) over which Banks and Clients have lien and ₹ 36.77 Lacs (Previous year ₹ 140.77 Lacs) placed as Earnest Money Deposit with various authorities.

20. Short-term loans and advances (Unsecured, considered good)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Loans and advances to related parties (Refer Note 40)		
To Subsidiaries	943.79	936.70
To Joint Ventures	68,309.68	33,359.55
To Partnership Firm	698.62	698.79
	69,952.09	34,995.04
Less: Provision for doubtful loans and advances	20.85	-
	69,931.24	34,995.04
(b) Security deposits	593.99	453.68
(c) Loans and advances to employees	178.02	235.43
(d) Prepaid expenses	2,038.75	1,442.44
(e) Balances with government authorities		
(i) VAT credit receivable	831.31	2,480.90
(ii) Service Tax credit receivable	767.51	282.34
(iii) Other Deposits	2.52	2.52
	1,601.34	2,765.76
(f) Others - Advance to vendors and others	7,924.42	9,010.36
Total	82,267.76	48,902.71

Notes forming part of the financial statements for the year ended 31st March, 2016

21. Other current assets

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Accruals		
(i) Interest accrued on bank deposits	0.80	3.16
(b) Interest on trade receivable as per arbitration awards	13,798.23	10,546.10
(c) Receivable under foreign currency contracts	1,575.96	1,251.95
(d) Others		
(i) Insurance claims	79.48	902.42
(ii) Duty Credit receivable	1,905.89	1,426.03
(iii) Other Receivables from Joint ventures (Refer Note 40)	908.96	2,857.77
(iv) Distribution of profits receivable from Joint ventures (Refer Note 40)	-	4,950.00
Total	18,269.32	21,937.43

22. Revenue from operations

	Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(a)	Sale of products (Refer Note (i) below)	3,321.28	847.21
(b)	Sale of services (Refer Note (ii) below)	351,245.71	292,267.20
(c)	Other operating revenues (Refer Note (iii) below)	6,101.01	8,148.55
	Total	360,668.00	301,262.96

Note	Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(i)	Sale of products comprises:		
	Construction Materials	3,321.28	847.21
	Total - Sale of products	3,321.28	847.21
(ii)	Sale of services comprises:		
	Construction Revenue	364,095.41	296,639.80
	Less : Value added tax	12,849.70	4,372.60
	Total - Sale of services	351,245.71	292,267.20
(iii)	Other operating revenues comprises:		
	Sale of scrap	1,060.50	1,147.97
	Duty Scrip credit	2,632.68	-
	Equipment Hire Charges	1,097.26	172.04
	Consultancy Service Charges	1,310.57	570.54
	Distribution of Profits from Joint Ventures	-	6,258.00
	Total - Other operating revenues	6,101.01	8,148.55

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Notes forming part of the financial statements for the year ended 31st March, 2016

23. Other income

	Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(a)	Interest income (Refer Note (i) below)	9,601.10	8,797.37
(b)	Dividend income:		
	From non trade, non current investments	162.00	1,924.18
(c)	Other non operating income (Refer Note (ii) below)	2,983.37	4,839.26
	Total	12,746.47	15,560.81

Note	Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(i)	Interest income comprises:		
	Interest from banks deposits	6.96	4.42
	Interest on loans and advances	489.24	1,288.79
	Interest on Arbitration awards (net)	8,957.75	7,503.29
	Interest income from non current investments	1.04	0.87
	Interest on income tax refund	146.11	-
	Total - Interest income	9,601.10	8,797.37
(ii)	Other non operating income comprises:		
	Provision for doubtful debtors / advances no longer required written back	320.03	-
	Creditors / Excess provision written back	713.83	754.95
	Insurance Claim received	920.79	1,027.93
	Provision for Projected Loss written back	497.00	444.41
	Net Gain on foreign currency transactions and translation	-	1,436.31
	Miscellaneous income	531.72	1,175.66
	Total - Other non-operating income	2,983.37	4,839.26

24. Cost of construction

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Cost of Construction Materials consumed (Including Bought out Items)	104,685.88	54,808.37
<u>Other Construction Expenses:</u>		
Consumption of stores and spare parts	24,364.67	18,137.68
Subcontracting expenses (Including lease payment for equipments hired) (Refer Note 41)	86,817.43	101,703.41
Site Installation	2,656.79	2,615.83
Technical Consultancy	4,211.64	4,520.16
Power and fuel	11,552.92	9,096.35
Freight and forwarding	2,958.37	7,630.48
	132,561.82	143,703.91
Total	237,247.70	198,512.28

25. Cost of traded goods

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Construction Materials	3,449.25	957.88
Total	3,449.25	957.88

26. Employee benefits expense

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Salaries and wages	37,895.64	37,055.11
Contributions to provident and other funds (Refer Note 39)	2,768.74	2,716.10
Staff welfare expenses	1,535.34	2,229.43
Total	42,199.72	42,000.64

Notes forming part of the financial statements for the year ended 31st March, 2016

27. Finance costs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Interest expense on:		
(i) Borrowings and Advances	21,623.83	16,297.34
(ii) Delayed / deferred payment of income tax	62.87	16.83
(b) Other borrowing costs:		
(i) Bank Guarantee Commission including Bank Charges	1,414.46	1,217.45
(ii) L/c charges & Processing Fees	112.54	339.96
Total	23,213.70	17,871.58

28. Other expenses

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Water and Electricity	371.01	393.62
Rent (Refer Note 41)	4,111.93	3,013.03
Repairs and maintenance - Buildings	1.56	87.88
Repairs and maintenance - Machinery	1,408.14	1,084.92
Repairs and maintenance - Others	600.19	636.36
Insurance	2,798.45	2,384.26
Rates and taxes	11,402.46	3,745.73
Communication	395.48	452.57
Travelling and conveyance	4,042.47	4,900.02
Security Charges	1,825.86	1,639.87
Donations and contributions	119.25	307.46
Expenditure on Corporate Social Responsibility (Refer Note 46)	18.79	28.74
Legal and professional	4,000.45	12,422.31
Payments to auditors (Refer Note below)	89.41	94.09
Duty Scrip Written off	25.39	-
Bad/Irrecoverable Debtors / Unbilled Revenue written off	887.30	-
Provision for Doubtful Investment	14.90	-
Advances written off	20.84	1.04
Net loss on foreign currency transactions and translation (Net)	1,421.10	-
Directors Fees	17.25	8.60
Provision for projected loss on contract	446.03	497.00
Loss on sale of fixed assets	223.02	63.22
Share of Loss from partnership firm / Joint Venture	21.05	0.06
Expenses of jobs completed in earlier year	-	29.79
Hedging expenses	559.61	1,047.99
Miscellaneous expenses	2,474.05	2,047.64
Total	37,295.99	34,886.20

Note:

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
<u>Payments to the auditors comprises *</u>		
(a) To statutory auditors		
As auditors - statutory audit	55.50	47.00
For taxation matters	3.50	15.17
For other services	15.94	20.40
Reimbursement of expenses	0.84	0.66
For Service tax	11.91	10.29
	87.69	93.52
(b) To cost auditors for cost audit		
As auditors	1.50	0.50
Reimbursement of expenses	0.01	0.01
For Service tax	0.21	0.06
	1.72	0.57
Total (a + b)	89.41	94.09

* excludes payment of ₹ 25.19 Lacs (Previous Year ₹ 29.68 Lacs) for taxation matters to an affiliated firm / company of one of the joint auditors covered by a networking arrangement which is registered with the institute of Chartered Accountants of India.

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Notes forming part of the financial statements for the year ended 31st March, 2016

29. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts Differences with sub-contractors in regard to rates and quantity of materials. The above claims are pending before various courts. The Company is confident that the cases will be successfully contested.	7,188.72	7,396.31
(b) Guarantees Bank Guarantees given on behalf of Subsidiaries and Joint Ventures and counter guaranteed by the Company.	137,992.50	130,338.15
(c) Sales Tax and Entry Tax Represents demands raised by Sales Tax Authorities in matters of a) disallowance of labour and service charges, consumables etc. b) Tax on AS7 Turnover c) Entry Tax and d) Interest and Penalty etc. for which appeal is pending before various appellate authorities. The Company is confident that the cases will be successfully contested.	579.79	632.46
(d) Service Tax Represents demand confirmed by the CESTAT / Asst. Commissioner of Service Tax for a) disallowance of Cenvat Credit, since abatement claimed by the Company, b) disallowance of general exemption of private Transport terminals and c) Taxability under "Commercial or Industrial Construction Service, etc. The Company has appealed / in the process of appeal against the said order with Commissioner of Service Tax Mumbai, CESTAT / High Court and is confident that the cases will be successfully contested. The company has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	12,516.39	11,558.87
Note:- In respect of items mentioned under Paragraphs (a), (c), and (d) above, till the matters are finally decided, the financial effect cannot be ascertained.		
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,513.45	4,160.99

30. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	146.15	66.41
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	5.02	2.99
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	5.02	2.99
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

31. The Company had raised aggregate sum of ₹ 300 crores vide issue of ₹ 100 crores Unsecured Unlisted Non- Convertible Debentures (NCDs) to a Bank on a private placement basis in each of the financial year 2012-13, 2014-15 and 2015-16 respectively. The NCDs issued, during the financial year 2012-13 and 2014-15 respectively, to the Banks have subsequently been transferred in favour of Mutual Funds which are in accordance with the provisions of Section 111A of the Companies Act, 1956 / Section 58 (2) of the Companies Act, 2013. The Company has obtained and placed reliance on legal opinion to the effect that the provisions of Section 58A of the Companies Act, 1956 / Section 73 of the Companies Act, 2013 read together with the Companies Acceptance of Deposit Rules, 1975 / Companies (Acceptance of Deposit Rules), 2014 are not attracted to the NCDs, for aforesaid amount.

Notes forming part of the financial statements for the year ended 31st March, 2016

32. Details on derivative instruments and unhedged foreign currency exposures

(A) Details of derivative instruments

The company has entered into the following derivative instruments:

- (a) Forward Exchange Contracts / Options [being a derivative instrument], which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

The following are the Forward Exchange Contracts entered into by the company as on 31st March, 2016 (Previous Year USD 27,888,120 ₹ in lacs 17,393.54)

Currency	Amount	Buy/Sell	Cross Currency	₹ in Lacs
US Dollar	13,888,120	Buy	Rupees	9,200.88

- (b) Interest Rate Swaps to hedge against fluctuations in interest rate changes:

No. of contracts:	2	₹ in Lacs
Notional Principal	US\$ 12,000,000	7,950.00
Previous year	US\$ 26,000,000	16,215.94

(B) Details of unhedged foreign currency exposures

Borrowings taken in foreign currency as at the balance sheet date not covered by forward contracts are **USD 15,991,488** and **EURO 468,000** equivalent to ₹ **10,594.36 Lacs** and ₹ **352.85 Lacs** respectively (as on 31st March, 2015 USD 14,250,000 equivalent to ₹ 8,887.58 Lacs and Euro 1,803,017 equivalent to ₹ 1,207.74 lacs).

The above amounts do not include packing credit finance and overdraft facilities drawn by overseas branches from banks in local currencies which are to be repaid out of proceeds from project billing in the said local currencies and accordingly no foreign exchange exposure is anticipated on such borrowings.

Receivables and Payables in foreign currency as at the balance sheet date not covered by forward contracts are ₹ **64,352.75 Lacs** (as at 31st March 2015 ₹ 58,873.57 Lacs) and ₹ **79,127.16 Lacs** (as at 31st March 2015 ₹ 89,461.98 Lacs) respectively as given below.

Receivable 2015-16			Receivable 2014-15		
Foreign currency		₹ in Lacs	Foreign currency		₹ in Lacs
QR	45,672,150.19	8,316.26	QR	10,018,112.20	1,716.30
OMR	35,418.20	61.15	OMR	49,611.10	80.42
MAUR Ru	534,619.09	10.45	MAUR Ru	303,229.40	5.20
UAED	5,035,753.73	908.52	UAED	21,031,514.82	3,571.43
JOD	5,802,961.28	5,436.94	JOD	6,245,146.26	5,501.46
USD	51,993,816.97	34,445.91	USD	52,435,888.51	32,703.74
EURO	61,330.72	46.24	EURO	2,821,718.44	1,890.11
BHD	2,742,562.73	4,855.03	BHD	2,765,239.34	4,574.67
KWD	4,637,984.45	10,199.37	KWD	3,879,420.59	8,065.18
JPY	-	-	JPY	58,933,979.00	306.16
BDT	6,814,421.14	58.80	BDT	56,521,750.84	453.25
SAR	79,617.23	14.07	SAR	33,980.89	5.65
GBP	14.40	0.01	GBP	-	-
Total		64,352.75	Total		58,873.57

Payable 2015-16			Payable 2014-15		
Foreign currency		₹ in Lacs	Foreign currency		₹ in Lacs
QR	45,109,534.82	8,213.82	QR	11,863,001.58	2,032.37
OMR	7,119.57	12.29	OMR	2,530.17	4.10
MAUR Ru	950,142.84	18.55	MAUR Ru	1,073,283.14	18.41
UAED	197,412.12	35.62	UAED	443,507.49	75.32
JOD	9,773,421.13	9,156.96	JOD	11,042,891.18	9,727.88
USD	63,805,924.96	42,271.44	USD	97,854,915.45	61,031.14
EURO	9,215,037.59	6,947.72	EURO	9,059,591.25	6,068.49
BHD	683,168.23	1,209.38	BHD	930,408.49	1,539.22
KWD	4,865,228.42	10,699.11	KWD	3,869,210.89	8,043.96
GBP	24,508.09	23.32	GBP	24,232.03	22.40
JPY	87,090,425.15	512.70	JPY	153,995,820.96	800.01
BDT	415,002.90	3.58	BDT	5,112,822.05	41.00
IQD	10,000,000.00	5.61	IQD	7,222,220.15	3.87
SAR	7,178.48	1.27	SAR	279,517.19	46.48
SGD	16,131.24	7.93	SGD	16,131.24	7.33
CAD	15,408.79	7.86	CAD	-	-
Total		79,127.16	Total		89,461.98

QR- Qatari Riyal, OMR – Omani Riyal, MAUR - Mauritian Rupee, UAED- UAE Dirham, JOD- Jordanian Dinar, USD – United States Dollar, GBP- Great Britain Pound, JPY- Japanese Yen, SGD - Singapore Dollar, EURO - European Currency, BHD - Bahraini Dinar, KWD - Kuwaiti Dinar, BDT - Bangladesh Taka, IQD - Iraqi Dinar, SAR - Saudi Riyal, CAD - Canadian Dollar

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Notes forming part of the financial statements for the year ended 31st March, 2016

33. Value of imports calculated on CIF basis

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Components	6,896.52	2,647.07
Capital goods	3,621.21	4,156.28
Total	10,517.73	6,803.35

34. Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Construction materials consumed	20,037.71	17,395.19
Sub-Contract and Hire Charges	20,019.74	67,525.04
Technical consultancy fees	1,408.27	2,521.30
Professional Fees	1,013.79	10,174.22
Rent	1,684.16	922.75
Salaries, Wages & Bonus	4,486.74	7,082.68
Interest	-	13.00
Taxes	1,492.81	2,673.69
Freight and Transportation	774.64	4,703.32
Travelling Expenses	680.59	1,663.31
Staff Welfare Expenses	647.81	1,109.08
Insurance	215.49	502.74
Clearing Charges for imported spares	630.50	1,013.34
B G Commission & Bank Charges	574.27	624.54
Repairs and Maintenance	22.65	21.09
Others	1,217.84	1,898.88
Total	54,907.01	119,844.17

35. Earnings in foreign currency (on accrual basis)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Value of work executed	69,645.99	138,815.63
Sale of Scrap	387.25	155.30
Insurance Claim Received	50.02	-
Interest and Other Income	176.65	1,071.12
Equipment Hire Charges	2.28	25.01
Service Charges	-	410.54
Dividend	-	1,624.17
Trading Turnover	586.52	-
Total	70,848.71	142,101.77

36. Expenses capitalized during the year on fabrication / improvement of equipment that has resulted in increased future benefits beyond their previously assessed standard of performance are as under :

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Construction materials consumed	98.18	74.92
Stores and spares consumed	285.24	58.90
Repairs	172.11	76.38
Others	-	21.00
Total	555.53	231.20

Notes forming part of the financial statements for the year ended 31st March, 2016

37. Disclosure in accordance with Accounting Standard - 7 (Revised)

(₹ in Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Details of contract revenue and costs		
a) Contract Revenue	351,245.71	292,267.20
b) Disclosure for contracts in progress:		
(i) Aggregate amount of costs incurred	1,030,742.88	790,721.15
(ii) Recognized profits (less recognized losses)	116,877.14	106,188.87
(iii) Advances Received	99,266.30	113,416.94
(iv) Retention Money	11,139.57	8,397.57
c) Gross amount due from customers for contract work in progress	142,259.93	144,559.43
d) Gross amount due to customers for contract work in progress	1,095.39	150.73

38. Segment information

a. Segment information for Primary reporting (by business segment)

The company has only one reportable business segment of construction business, hence information for primary business segment is not given.

b. Segment information for Secondary segment reporting (by geographical segment).

The Company has two reportable geographical segments based on location of customers.

- (i) Revenue from customers within India - Local projects
- (ii) Revenue from customers outside India - Foreign projects

Secondary : Geographical (Location of customers)

(₹ in Lacs)

	Local Projects	Foreign Projects	Total
Income from operation	305,461.15 (231,479.09)	55,206.85 (69,783.87)	360,668.00 (301,262.96)
Carrying amount of asset (Excluding Taxes on Income and Investment)	459,222.78 (384,614.45)	51,172.41 (36,766.41)	510,395.19 (421,380.86)
Additions to Fixed Assets	19,544.77 (17,845.86)	280.20 (423.28)	19,824.97 (18,269.14)

Figures in parenthesis are those of previous year.

39. The company has accounted liability for gratuity and compensated absences as per the Accounting Standard (AS- 15 Revised) on "Employee Benefits".

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity and long term compensated absences is given below:

a) **Gratuity (Funded)**

A. Assumptions	Current Year	31 st March, 2015
Discount Rate	8.04%	7.96%
Rate of Return on Plan Assets	8.04%	7.96%
Salary Escalation	6.00%	4.50%
Attrition Rate	2.00% & 6.00%	2.00%
Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

₹ in Lacs

B. Changes in the Benefit Obligation	Current Year	31 st March, 2015
Liability at the Beginning of the current year	1739.84	1401.75
Interest Cost	138.49	130.50
Current Service Cost	159.77	117.11
Past Service Cost	-	-
Benefit Paid	(242.99)	(154.79)
Actuarial Loss/ (Gain) on obligations	281.63	245.27
Liability at the end of the current year	2,076.74	1,739.84

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Notes forming part of the financial statements for the year ended 31st March, 2016

C. Fair Value of the Plan Asset	Current Year	31st March, 2015
Fair Value of Plan Asset at the beginning of the year	1,071.42	988.23
Expected Return on Plan Asset	85.28	85.98
Contributions	149.58	149.18
Benefit paid	(242.99)	(154.79)
Actuarial Gain/ (Loss) on Plan Assets	(5.46)	2.82
Fair value of Plan Assets at the end of the year	1057.83	1,071.42
Total Actuarial Loss to be Recognized	(287.09)	(242.45)

D. Actual Return on Plan Assets:	Current Year	31st March, 2015
Expected Return on Plan Assets	85.28	85.98
Actuarial Gain/ (Loss) on Plan Assets	(5.46)	2.82
Actual Return on Plan Assets	79.82	88.80

E. Amount Recognized in the Balance Sheet:	Current Year	31st March, 2015
Liability at the end of the year	2,076.74	1,739.84
Fair Value of Plan Assets at the end of the year	1,057.83	1,071.42
Unrecognized Past Service Cost	-	-
Amount recognized in the Balance Sheet	(1018.91)	(668.42)

F. Expense Recognized in the Profit and Loss Account:	Current Year	31st March, 2015
Current Service Cost	159.77	117.11
Interest Cost	138.49	130.50
Expected Return on Plan Assets	(85.28)	(85.98)
Past Service Cost	-	-
Net Actuarial Gain / Loss to be recognized	287.09	242.45
Expense recognized in the Profit and Loss Account under staff expenses	500.07	404.08

G. Reconciliation of the Liability recognized in the Balance Sheet:	Current Year	31st March, 2015
Opening Net Liability	668.42	413.52
Expense recognized	500.07	404.08
Employers Contribution	(149.58)	(149.18)
Amount recognized in the Balance Sheet under "Provision for Retirement Benefits"	1,018.91	668.42

H. Major category of plan assets as percentage of total plan assets:	(%)	(%)
Insured Managed funds	100	100

(b) **Compensated Absences (Non funded) :**

Actuarial Assumptions	Current Year	31st March, 2015
Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Discount Rate	8.04%	7.96%
Salary Escalation	6.00%	4.50%
Withdrawal Rate	2.00% & 6.00%	2.00%

Experience adjustments

	2015-2016	2014-2015	2013-2014	2012-2013	2011- 2012
Gratuity					
Present value of DBO	2,076.74	1,739.84	1,401.75	1,388.16	1231.33
Fair value of plan assets	1,057.83	1,071.42	988.23	1,006.05	964.22
Funded status [Surplus / (Deficit)]	(1018.91)	(668.42)	(413.53)	(382.11)	(267.12)
Experience gain / (loss) adjustments on plan liabilities	79.97	(92.77)	(108.39)	(140.29)	(107.95)
Experience gain / (loss) adjustments on plan assets	(5.46)	2.82	(2.68)	5.79	14.57

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ **1,494.45 Lacs** (Year ended 31st March, 2015 ₹ 1,573.77 Lacs) for Provident Fund contributions and ₹ **772.42 Lacs** (Year ended 31st March, 2015 ₹ 742.06 Lacs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Notes forming part of the financial statements for the year ended 31st March, 2016

Notes :

- i) Premium is paid to LIC under Group Gratuity Scheme of LIC.
- ii) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by the actuary and relied upon by the Auditors.
- iii) Contributions expected to be paid to the plan during the annual period beginning after the Balance Sheet date is ₹ **507.45 Lacs** (Previous year ₹ 476.55 Lacs).
- iv) The expected return on plan assets is determined considering several applicable factors which includes mainly the composition of plan assets held, assessed risks of asset management and historical result of the return on plan asset.

40. Related party disclosures as per Accounting Standard 18 on “Related Party Disclosures”**(a) Details of related parties:****Related Party where Control exists****Holding Company**

Shapoorji Pallonji & Company Private Limited

Subsidiaries of the Company

Hazarat & Company Private Limited
 Afcons Corrosion Protection Private Limited
 Afcons Offshore and Marine Services Private Limited
 Afcons Construction Mideast LLC
 Afcons Infrastructure Kuwait for Building, Road and Marine Contracting WLL
 Afcons Overseas Construction LLC
 Afcons Gulf International Project Services FZE
 Afcons Gunanusa Joint Venture
 Transtonnelstroy Afcons Joint Venture
 Dahej Standby Jetty Project undertaking
 Afcons Mauritius Infrastructure Ltd (AMIL)
 Afcons Overseas Singapore Pte Ltd.
 Afcons Infra Projects Kazakhstan LLP
 Afcons Saudi Constructions LLC (w.e.f. 2nd June, 2015)
 Afcons Overseas Project Gabon SARL (w.e.f. 27th October, 2015)

Fellow Subsidiary(s)

Floreat Investments Limited
 SP Jammu Udhampur Highway Pvt. Ltd
 Forvol International Service Ltd
 Renaissance Commerce Pvt. Ltd
 Hermes Commerce Ltd.
 Armada C-7 Pte Ltd.
 Shapoorji AECOS Construction Pvt. Ltd.
 Forbes & Company Ltd.
 Shapoorji & Pallonji Qatar, WLL
 Eureka Forbes Ltd.
 Armada Madura EPC Ltd.
 Forbes Facility Services Pvt.Ltd.
 Stertling & Wilson Pvt.Ltd.
 Shapoorji Pallonji Rural Solutions Pvt.Ltd.

Associate of the Company

Afcons (Mideast) Constructions and Investments Private Limited

Partnership firm in which the Company is a partner

Afcons Pauling Joint Venture

Jointly Controlled Entities

Strabag AG Afcons Joint Venture
 Saipem Afcons Joint Venture
 Ircon Afcons Joint Venture
 Afcons Sener LNG Construction Projects Pvt.Ltd.

Key Management Personnel

Mr. S. P. Mistry – Chairman
 Mr. K. Subrahmanian – Vice Chairman & Managing Director
 Mr. S. Paramasivan – Dy. Managing Director

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

(₹ in Lacs)

b) Details of transactions with related parties for the period 01/04/2015 to 31/03/2016

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Partnership Firm in which Company is a partner		Joint Venture(s)		Associate Company		Key Management Personnel		Total	
	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15
Managerial Remuneration paid																
K.Subrahmanian													183.00	176.00	183.00	176.00
S.Paramasivan													142.00	136.50	142.00	136.50
Sitting Fees paid																
S.P.Mistry													1.45	0.60	1.45	0.60
Dividend on Preference Shares																
Floreat Investments Limited																
Shapoorji Pallonji & Co. Pvt. Ltd.	1.00	1.00			1.00	1.00									1.00	1.00
Interim Dividend on Equity Shares																
Shapoorji Pallonji & Co. Pvt. Ltd.	1,470.79	735.11													1,470.79	735.11
Floreat Investments Limited					390.48	195.24									390.48	195.24
Hermes Commerce Limited					120.49	60.24									120.49	60.24
Renaissance Commerce Private Ltd.					120.49	60.24									120.49	60.24
K.Subrahmanian													1.75	0.87	1.75	0.87
S.Paramasivan													0.79	0.39	0.79	0.39
Income on Interim Dividend on Equity Shares																
Afcons Overseas Singapore Pte Ltd.			-	1,624.17											-	1,624.17
Income from Consultancy Services																
Shapoorji AECOS Construction Pvt. Ltd.																
Shapoorji Pallonji & Co. Pvt. Ltd.	150.00	-			-	160.00									-	160.00
Overhead Charges Recovered																
Strabag-AG Afcons Joint Venture									470.20	995.39					470.20	995.39
Interest Income																
Afcons Construction Mideast, LLC			-	265.07											-	265.07
Afcons Overseas Construction LLC, Qatar			3.83	4.91											3.83	4.91
Afcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL			12.24	16.99												
Afcons Sener LNG Constuction Projects Pvt Ltd									10.30	-					12.24	16.99
Iron-Afcons Joint Venture									45.53	27.99					10.30	-
Income from Services Charges															45.53	27.99
Afcons Overseas Singapore Pte Ltd.			-	410.54											-	410.54
Strabag-AG Afcons Joint Venture									836.21	-					836.21	-
Afcons Construction Mideast, LLC			28.76	-											28.76	-
Afcons Overseas Project Gabon SARL			295.60	-											295.60	-
Subcontract Income																
Transnionelstroy-Afcons Joint Venture			6,847.30	12,794.31											6,847.30	12,794.31
SP Jammu Udhampur Highway Pvt. Ltd					1,197.17	12,382.52									1,197.17	12,382.52
Income from Equipment Hire																
SP Jammu Udhampur Highway Pvt. Ltd					-	56.77									-	56.77
Iron-Afcons Joint Venture									341.22	99.39					341.22	99.39
Strabag-AG Afcons Joint Venture									110.60	5.50					110.60	5.50
Afcons Overseas Project Gabon SARL			638.19	-											638.19	-
Distribution of Profit / (Loss) from Joint Ventures																
Dahel Standby Jetty Project Undertaking (DJPJ)			-	1,308.00											-	1,308.00
Transnionelstroy-Afcons Joint Venture			-	4,950.00					(20.87)	-					-	4,950.00
Saipem Afcons Joint Venture															(20.87)	-
Sale of Spares / Materials / Assets																
Transnionelstroy-Afcons Joint Venture			2,634.38	833.43											2,634.38	833.43
Dahel Standby Jetty Project Undertaking (DJPJ)			-	15.95											-	15.95
Afcons Overseas Project Gabon SARL			686.89	-											686.89	-
Shapoorji Pallonji & Co. Pvt. Ltd.	-	34.55													-	34.55

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

b) Details of transactions with related parties for the period 01/04/2015 to 31/03/2016

(₹ in Lacs)



Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Partnership Firm in which Company is a partner		Joint Venture(s)		Associate Company		Key Management Personnel		Total	
	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15
Advance Given																
Alfcons Construction Mideast, LLC			3,306.85	1,353.28											3,306.85	1,353.28
Alfcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL																
Translonelstroy-Alfcons Joint Venture			115.87	1,105.31											115.87	1,105.31
Alfcons Gunanusa Joint Venture			118,914.93	92,471.99											118,914.93	92,471.99
Dahel Standby Jetty Project Undertaking (DJPU)			89.20	292.40											89.20	292.40
Strabag-AG Alfcons Joint Venture			1,131.12	2,328.93											1,131.12	2,328.93
Alfcons (Mideast) Constructions and Investments Private Limited																
Alfcons Offshore & Marine Services Private Limited			1.60	0.63							1.53	-			1.53	-
Alfcons Overseas Construction LLC, Qatar			49.03	91.70											49.03	91.70
Hazarat & Company Private Limited			0.06	-											0.06	-
Alfcons Saudi Constructions LLC			14.07	-											14.07	-
Alfcons Sener LNG Construction Projects Pvt. Ltd.															200.35	-
Shapoorji Pallonji Qatar WLL					-	2,050.84									-	2,050.84
Advance Received back																
Iron-Ofcons Joint Venture																
Alfcons Construction Mideast, LLC			(3,169.49)	(3,585.86)					(2,296.56)	(1,811.00)					(2,296.56)	(1,811.00)
Alfcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL															(3,169.49)	(3,585.86)
Translonelstroy-Alfcons Joint Venture			(201.98)	(496.87)											(201.98)	(496.87)
Alfcons Gunanusa Joint Venture			(92,484.94)	(85,238.30)											(92,484.94)	(85,238.30)
Dahel Standby Jetty Project Undertaking (DJPU)			(135.48)	(45.00)											(135.48)	(45.00)
Alfcons (Mideast) Constructions and Investments Private Limited			-	(3,527.64)											-	(3,527.64)
Alfcons Offshore & Marine Services Private Limited			(2.23)	-							(1.53)	-			(1.53)	-
Alfcons Corrosion Protection Private Limited			(0.05)	-											(2.23)	-
Alfcons Overseas Construction LLC, Qatar			(50.39)	(2.65)											(0.05)	-
Hazarat & Company Private Limited			(0.06)	-											(50.39)	(2.65)
Shapoorji Pallonji Qatar WLL					(1,792.74)	(332.67)									(0.06)	-
Profit/(Loss) of share in partnership firm															(1,792.74)	(332.67)
Alfcons Pauling Joint Venture							(0.18)	(0.06)							(0.18)	(0.06)
Service Charges paid																
Alfcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL			110.38	224.85											110.38	224.85
Alfcons Overseas Construction LLC, Qatar			43.11	87.92											43.11	87.92
Shapoorji Pallonji & Co. Pvt. Ltd	23.93	13.24	-	407.70											23.93	13.24
Alfcons Construction Mideast, LLC															-	407.70
Housekeeping services paid																
Forbes Facility Services Pvt Ltd					95.14	-									95.14	-
Rent Expense																
Hazarat & Company Private Limited			1.68	1.20											1.68	1.20
Forbes & Company Limited					59.40	45.08									59.40	45.08
Expenses incurred by (on behalf of) Alfcons																
Alfcons Construction Mideast, LLC			0.82	3.55											0.82	3.55
Alfcons Corrosion Protection Private Limited			-	0.05											-	0.05
Translonelstroy-Alfcons Joint Venture			100.80	42.76											100.80	42.76
Dahel Standby Jetty Project Undertaking (DJPU)			22.74	19.74											22.74	19.74
Strabag-AG Alfcons Joint Venture			253.43	95.85					452.86	337.38					452.86	337.38
Alfcons Gunanusa Joint Venture									-	422.24					253.43	95.85
Iron-Ofcons Joint Venture															-	422.24
Alfcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL			-	187.17											-	187.17

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

(₹ in Lacs)

b) Details of transactions with related parties for the period 01/04/2015 to 31/03/2016

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Partnership Firm in which Company is a partner		Joint Venture(s)		Associate Company		Key Management Personnel		Total	
	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15
Alcons Overseas Construction LLC, Qatar			-	4.49					1.10						-	4.49
Alcons Sener LNG Construction Projects Pvt. Ltd.															1.10	-
Alcons Overseas Project Gabon SARL			9.59	-											9.59	-
Armada C-7 Pte Ltd.					-	42.51									-	42.51
ARMADA Madura EPC Limited					19.41	-									19.41	-
Hazarat & Company Private Limited			-	(0.28)											-	(0.28)
Civil and Interior works																
Shapoorji Pallonji & Co. Pvt. Ltd.	288.31	88.06													288.31	88.06
Legal & Professional fees (Strategic Support Service)	1,228.41	-													1,228.41	-
Shapoorji Pallonji & Co. Pvt. Ltd.																
Subcontract Expense																
Shapoorji Pallonji Qatar WLL					11,658.88	2,734.18									11,658.88	2,734.18
Interest expense																
Alcons (Mideast) Constructions and Investments Private Limited											-	1.95			-	1.95
Travelling Expenses																
Forvol International Service Ltd					584.91	784.13									584.91	784.13
Equipment Hire Charges Paid																
Alcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL.			307.76	177.85											307.76	177.85
Purchase of Assets / Materials																
Dahel Standby Jetty Project Undertaking (DJPU)			4.85	119.41											4.85	119.41
Transstomelstroy-Alcons Joint Venture			514.99	335.58											514.99	335.58
Sterling and Wilson Pvt Ltd.					62.15	-									62.15	-
Shapoorji Pallonji Rural Solutions Pvt Ltd					19.56	-									19.56	-
Eureka Forbes Ltd.					21.33	19.50									21.33	19.50
Guarantees Given for/ (Released)																
Alcons Corrosion Protection Private Limited			(24.75)	(2.05)											(24.75)	(2.05)
Alcons Gunanusa Joint Venture			-	(39.54)											-	(39.54)
Strabag-AG Alcons Joint Venture			(8,941.73)	3,553.02					-	(685.91)					-	(685.91)
Transstomelstroy-Alcons Joint Venture				4,500.00											(8,941.73)	3,553.02
Dahel Standby Jetty Project Undertaking (DJPU)			-	4,500.00					(1,046.48)	1,046.48					-	4,500.00
Iron-Atcons Joint Venture			18,236.29	-											18,236.29	1,046.48
Alcons Overseas Project Gabon SARL																-
Alcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL.			(1,135.51)	1,902.93											(1,135.51)	1,902.93
Alcons Sener LNG Construction Projects Pvt. Ltd.									(1,528.04)	1,283.04					(1,528.04)	1,283.04
SBLC Given for																
Alcons Overseas Singapore Pte Ltd			3,440.40	-											3,440.40	-
Outstanding amount of guarantee given/ (taken)																
Alcons Corrosion Protection Private Limited			8.28	33.03											8.28	33.03
Alcons Gunanusa Joint Venture			33,343.16	29,147.40											33,343.16	29,147.40
Strabag-AG Alcons Joint Venture									16,573.00	16,730.15					16,573.00	16,730.15
Transstomelstroy-Alcons Joint Venture			50,556.84	65,328.02											50,556.84	65,328.02
Dahel Standby Jetty Project Undertaking (DJPU)			11,243.80	11,169.86											11,243.80	11,169.86
Alcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL.			790.74	1,902.93											790.74	1,902.93
Alcons Sener LNG Construction Projects Pvt. Ltd.									-	1,528.04					-	1,528.04
Alcons Overseas Project Gabon SARL			18,236.29	-											18,236.29	-
Iron-Atcons Joint Venture									-	1,046.48					-	1,046.48
Outstanding amount of SBLC given/ (taken)																
Alcons Overseas Singapore Pte Ltd			3,440.40	-											3,440.40	-

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

(₹ in Lacs)

b) Details of transactions with related parties for the period 01/04/2015 to 31/03/2016

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Partnership Firm in which Company is a partner		Joint Venture(s)		Associate Company		Key Management Personnel		Total	
	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15
Outstanding Amount Loans & Advances Dr/ (Cr)																
Alcons Offshore & Marine Services Private Limited			-	0.63											-	0.63
Alcons Construction Mideast, LLC			899.28	704.84											899.28	704.84
Alcons Corrosion Protection Private Limited			-	0.05											-	0.05
Alcons Gunanusa Joint Venture			16,098.15	15,891.00											16,098.15	15,891.00
Strabag-AG Alcons Joint Venture			1,471.58	322.82											437.55	437.55
Dahjei Standby Jetty Project Undertaking (DJPU)			49,981.26	16,152.21											1,471.58	322.82
Translonnelstroy-Alcons Joint Venture															49,981.26	16,152.21
Saipem Alcons Joint Venture															60.03	77.82
Alcons Pauling Joint Venture															698.62	698.79
Alcons Overseas Construction LLC, Qatar			20.84	55.85											20.84	55.85
Alcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL			-	175.33											-	175.33
Icon- Alcons Joint Venture															50.38	478.15
Alcons Saudi Construction LLC			14.07	-											14.07	-
Alcons Sener LNG Construction Projects Pvt. Ltd.															210.72	-
Alcons Overseas Project Gabon SARL			9.59	-											9.59	-
Shapoorji Pallonji & Co. Pvt. Ltd.			-	45.49											-	45.49
Shapoorji Pallonji Qatar WLL															-	1,718.17
Other Receivables																
Strabag-AG Alcons Joint Venture															908.96	2,857.77
Distribution of Profits receivable from Joint Venture																
Translonnelstroy-Alcons Joint Venture			-	4,950.00											-	4,950.00
Outstanding Amount - Debtors																
Alcons Construction Mideast, LLC			-	1,920.29											-	1,920.29
Translonnelstroy-Alcons Joint Venture			32,332.95	25,489.75											32,332.95	25,489.75
Alcons Pauling Joint Venture															762.58	762.58
Shapoorji Pallonji & Co. Pvt. Ltd.			33.37	5.91											33.37	5.91
SP Jammu Udhampur Highway Pvt. Ltd															-	20.84
Icon-Alcons Joint Venture															7.87	97.40
Alcons Overseas Singapore Pte Ltd.			-	411.59											-	411.59
Alcons Overseas Project Gabon SARL			815.96	-											815.96	-
ARMADA Madura EPC Limited															4.32	-
Amada C-7 Pte Ltd.															-	42.51
Shapoorji AECOS Construction Pvt. Ltd.															-	163.78
Strabag-AG Alcons Joint Venture															118.42	5.61
Outstanding Amount - Creditors																
Forvol International Service Ltd															176.34	136.29
Forbes Facility Services Pvt Ltd															40.14	-
Shapoorji Pallonji Qatar WLL															4,945.10	777.61
Eureka Forbes Ltd.															7.15	-
Forbes & Company Limited															4.26	-
Sterling and Wilson Pvt.Ltd .															12.39	-
Shapoorji Pallonji Rural Solutions Pvt Ltd															13.56	-
Shapoorji Pallonji & Co. Pvt. Ltd.			1,152.27	-											1,152.27	-
Alcons Infrastructure Kuwait for Building, Road & Marine Contracting WLL															106.66	70.79
Alcons Construction Mideast, LLC															434.19	408.72
Hazarat & Company Private Limited															0.28	0.28

Note: (1) Provisions are made for doubtful advances amounting to ₹ 20.84 lacs (previous year ₹ Nil) from Alcons Overseas Construction LLC, Qatar (Subsidiary company.)

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2016

41. Details of leasing arrangements

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
As Lessor		
(i) The company has let out one of the premises and equipments under operating lease. The lease is cancellable and is renewable by mutual consent on mutually agreeable terms.		
(ii) The lease income of equipments recognised in the Statement of Profit and Loss under 'Other Operating Revenues' in Note 22	1,097.26	172.04
As Lessee		
(i) The company has taken various offices, residential & godown premises, land and equipments under operating lease or leave and licence agreements. These are generally cancellable and range between 11 months and 3 years under leave and licence agreement and are renewable by mutual consent on mutually agreeable terms.		
(ii) Lease payments recognised for residential and other properties in the Statement of Profit and Loss under 'Rent' in Note 28	4,111.93	3,013.03
(iii) Lease payments for equipments are recognised in the Statement of Profit and Loss under 'Subcontracting Expenses' in Note 24	13,643.18	13,181.18

42. Earnings per share (EPS)

(EPS) is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Profit after tax	12,497.74	7,896.83
Less: Dividend on 0.01% Convertible Non Cumulative Non Participatory Preference shares (including dividend tax)	5.42	5.42
Profit for the year attributable to equity shareholders	12,492.32	7,891.41
Weighted average number of shares outstanding during the year	Numbers	Numbers
For basic EPS	71,970,238	71,970,238
For diluted EPS (refer note below)	340,738,268	340,738,268
Earnings per share	₹	₹
Basic	17.36	10.96
Diluted	3.67	2.32
Nominal value per share in Rupees	10.00	10.00
Note :		
Weighted average number of shares outstanding during the year- for Diluted EPS:	Numbers	Numbers
Weighted average number of shares outstanding during the year – for calculating basic EPS (numbers)	71,970,238	71,970,238
Add: Potential equity shares that could arise on conversion of 0.01%.Fully and Compulsorily convertible Non-cumulative, Non Participatory Preference shares at ₹ 10 each. {Refer Note 3(iii b)}	246,540,258	246,540,258
Add: Potential equity shares that could arise on conversion of 0.01% Non-cumulative, Non-Participatory Convertible Preference shares at ₹ 68.25. {Refer Note 3(ii b)}	14,652,014	14,652,014
Add: Potential equity shares that could arise on conversion of 0.01%.Fully and Compulsorily convertible Non-cumulative, Non Participatory Preference shares at ₹ 10 each. {Refer Note 3 (iv b)}	7,575,758	7,575,758
Total	340,738,268	340,738,268

Notes forming part of the financial statements for the year ended 31st March, 2016

43. Interest in joint ventures :

The Company has interests in the following jointly controlled entities:

(₹ in Lacs)

Name of companies and country of incorporation	% holding Share	Amount of interest based on accounts for the year ended 31 st March, 2016					
		Assets	Liabilities	Income	Expenditure	Contingent liabilities	Capital commitments
Saipem Afcons Joint Venture , Oman (unaudited)	50% (50%)	57.40 (58.71)	62.54 (80.17)	- (-)	5.08 (1.70)	- (-)	- (-)
Strabag AG Afcons Joint Venture, India (audited)	40% (40%)	8,989.00 (8,094.99)	7,687.12 (6,943.65)	8,209.72 (9094.03)	7,929.15 (8803.62)	@ 140.12 @ (105.63)	- (22.60)
Ircon Afcons Joint Venture, India (unaudited)	47% (47%)	4,002.73 (5,276.19)	3,666.43 (5,151.92)	7,416.63 (4,424.21)	6,653.89 (4,026.82)	- (-)	- (-)
Afcons Sener LNG Construction Projects Pvt. Ltd. (w.e.f. 13 th January, 2015) (audited)	49% (49%)	192.33 (0.49)	204.86 (-)	166.35 (-)	179.38 (-)	- (-)	- (-)

Note: Figures in brackets relate to the previous year

@ Exclude Labour & Vendor cases as amount is unascertained

44. Disclosures on Employee share based payments:

Employee Stock Option Plan.

On 22nd December, 2006, the Company has granted 721,150 Stock options to its eligible employees at a price of ₹ 17/- per option in terms of Employees Stock Option Scheme 2006 of the Company as approved by the Share holders at the Extra Ordinary General meeting held on 22nd December, 2006.

a) The particulars of the Options distributed under ESOP 2006 are as follows:

Particulars	ESOP 2006
Eligibility	Employees and Directors of the Company and its subsidiaries and its holding Company.
Vesting period for options granted during the year	Not less than One year and not more than Five years from the date of grant.
Exercise Period	Three years beginning from date of vesting
Method of Settlement	Equity Shares
Exercise Price	The Exercise price shall be equal to the fair market value of the shares as determined by the independent valuer.
No. of Options Granted	721,150

(b) The particulars of number of options granted, exercised and lapsed and the Price of Stock Options for ESOP 2006 are as follows:

Particulars	Current year	As at 31 st March, 2015
	Quantity	Quantity
Authorised to be Granted	1,785,000	1,785,000
Granted and Outstanding at the beginning of the year	-	-
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Granted and outstanding at the end of the year	-	-
Fair value of the ESOP on the date of Grant	₹ 9.41	₹ 9.41

c) The Company has followed the intrinsic value-based method of accounting for stock options granted based on Guidance Note on Accounting on Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The exercise price of the option granted is based on the fair value of the Company's share as on the date of the Grant. The Fair Value of the Share has been calculated by an independent valuer by applying Rule 1D of the Wealth Tax Rules, 1957. As the exercise price of the option granted is based on the fair value as on the date of the Grant, the intrinsic value of the option is NIL.

Fair value of Options calculated by external valuer using Black Scholes Model is lower than the exercise price and hence the options are considered to be anti-dilutive in nature and the effect of this is ignored in calculating diluted earnings per share in accordance with Accounting Standard 20 viz. Earnings Per Share issued by Chartered Accountants of India.

d) The Method and significant assumptions used to estimate the Fair Value of the Options are as under:

The Fair value of Options has been calculated by an independent valuer. The valuation has been done using the Black-Scholes model based on the assumptions given by the management, which are as under:

(i) Expected Life of the Options:

These stock options will vest in the following proportion from the date of grant and can be exercised during a period of four years from the date of vesting.

Year 1 from the date of Grant - 20% of the Options Granted;
 Year 2 from the date of Grant - 25% of the Options Granted;
 Year 3 from the date of Grant - 25% of the Options Granted;
 Year 4 from the date of Grant - 30% of the Options Granted.

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2015

- (ii) Risk free interest rate:
This rate has been assumed at 8%.
- (iii) Share price:
Share price of ₹ 17/- is treated as fair value as on 22nd December, 2006 the date of grant.
- (iv) Volatility:
Volatility is calculated based on historical volatility in the stock of similar comparable companies over the previous 4 years at 0.63.
- (v) Expected dividend yield: Nil
45. a) The company has been legally advised that interest free advances aggregating to ₹ 68,309.68 Lacs made towards financing the unincorporated joint ventures do not come under the purview of Section 186 of Companies Act, 2013 as the Company is in the business of constructing and developing infrastructure facilities.
- b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For Investments made refer to note no.14.

46. Corporate Social Responsibility:

(₹ in Lacs)

Gross amount required to be spent by the company during the year			Nil
Amount spent during the year:			
CSR activities	In Cash	Yet to be paid in Cash	Total
Promoting education	12.21	-	12.21
Rural development projects	6.58	-	6.58
Total	18.79	-	18.79

47. During the previous year, the Company has revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II.
Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on 1st April, 2014, and has adjusted an amount of ₹ Nil (As as 31st March, 2015 ₹ 338.97 Lacs (net of deferred tax of ₹ 179.40 Lacs)) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.
48. During the previous year, all the projects being executed in Liberia were temporarily suspended by Client due to Ebola outbreak. A written suspension notice was issued by the client in February 2015. The carrying value of Assets and Liabilities in books of accounts are ₹ 33,695.13 Lacs and ₹ 21,737.73 Lacs respectively. The company has filed claim for settlement with the client and discussion are at an advance stage. No adjustment have been made to the carrying values of Assets and Liabilities in books of accounts, since management do not expect any material adjustment to the same.
49. During the earlier year, company had invoked bank guarantee amounting to ₹ 6,080.87 Lacs against the sub-contractor for lack of performance in respect of an overseas project. The sub-contractor had submitted to Company, revised claims aggregating to ₹ 49,006.43 Lacs for delay and cost overrun for the work performed by them in relation to the said project. The company has filed counter claims against the sub-contractor for an amount of ₹ 59,848.70 Lacs on account of delays and incomplete work done by the sub-contractor. An amount aggregating to ₹ 11,652.69 Lacs (including ₹ 6,080.87 Lacs received on invocation of bank guarantee) is outstanding (net of receivables) as on 31st March 2016 in the books of the Company. Based on the review of back-up documents submitted by the sub-contractor and counter claim filed by the company, no further provision is envisaged at this stage
50. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman

K.SUBRAHMANIAN
Vice Chairman &
Managing Director

S.PARAMASIVAN
Deputy Managing Director

P.N. KAPADIA
Director

N.D.KHURDY
Director

R.M.PREMKUMAR
Director

Place: Mumbai
Date: 27th June, 2016

P.R. RAJENDRAN
Company Secretary

ASHOK G.DARAK
Chief Financial Officer

AFCONS INFRASTRUCTURE LIMITED

FINANCIAL HIGHLIGHTS

(₹ in lacs)



Year	REVENUE ACCOUNTS						CAPITAL ACCOUNTS					EARNINGS & PAYOUT	
	Total Income	Depreciation	Profit / (Loss) Before Taxes	Tax	Profit / (Loss) After Tax	Share Capital	Reserves (Excluding Revaluation Reserve)	Borrowings	Gross Block	Cumulative Depreciation	Net Block	Earnings Per Equity Share Of ₹ 10	Dividend Per Equity Share Of ₹ 10
2006-07	107,411	1,808	2,516	1,061	1,455	17,153	6,065	57,144	36,785	16,661	20,124	2.15	-
2007-08	174,944	2,400	6,647	2,245	4,402	42,152	9,841	51,644	48,512	18,445	30,067	6.16	-
2008-09	208,867	2,962	7,508	2,573	4,935	42,140	14,772	69,051	58,925	20,789	38,136	6.91	-
2009-10	151,028	3,221	5,598	1,962	3,636	42,170	18,424	53,876	59,238	22,116	37,122	5.08	-
2010-11	114,106	3,243	8,885	3,016	5,869	42,184	24,297	68,039	64,740	22,951	41,789	8.18	-
2011-12	164,760	3,789	11,148	2,561	8,587	42,197	32,890	83,741	80,518	25,864	54,654	11.94	-
2012-13	194,920	6,747	5,700	1,058	4,642	42,197	35,855	120,187	123,169	31,831	91,337	6.44	2.00
2013-14	280,012	14,596	10,289	3,591	6,698	52,197	52,155	133,718	137,549	45,835	91,715	9.30	2.00
2014-15	316,824	12,467	10,129	2,232	7,897	52,197	58,412	141,194	148,439	58,537	89,903	10.96	1.50
2015-16	373,414	10,866	19,142	6,644	12,498	52,197	68,305	192,011	172,315	68,760	103,555	17.36	3.00

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AFCONS INFRASTRUCTURE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of AFCONS INFRASTRUCTURE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The consolidated financial statements include the unaudited financial statements of eight subsidiaries and two jointly controlled entities (Previous year ended 31st March, 2015: five subsidiaries and two jointly controlled entities), whose financial statements reflect total assets (net) of ₹ 43,843.88 lacs as at 31st March, 2016 (As at 31st March, 2015: ₹ 38,032.22 lacs), total revenue of ₹ 25,274.14 lacs (Previous year ended 31st March, 2015: ₹ 20,172.90 lacs) and net cash flows amounting to ₹ (282.43) lacs (Previous year ended 31st March, 2015: ₹ 10,093.30 lacs) for the period ended on that date, as considered in the consolidated financial statements. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and jointly controlled entities is based solely on such unaudited financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 42 (a) to the consolidated financial statements regarding legal opinion obtained by the Holding Company that the interest free advances made by the Holding Company towards financing the unincorporated joint ventures do not attract Section 186 of the Companies Act, 2013 for the reasons stated therein. The balance of such advances net of payments is aggregating to ₹ 68,309.68 lacs as on 31st March, 2016 (As at 31st March, 2015: ₹ 33,359.55 lacs).

Our opinion is not qualified in respect on this matter.

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Other Matters

We did not jointly audit the financial statements of seven subsidiaries and two jointly controlled entities, whose financial statements reflect total assets (net) of ₹ 13,831.98 lacs as at 31st March, 2016, total revenues of ₹ 8,598.94 lacs and net cash flows amounting to ₹ 746.64 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 0.005 lacs for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been jointly audited by us. These financial statements have been audited by either of us in our individual capacity or by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and Associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group's companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's/Subsidiary Company's/Associate Company's/Joint Controlled Company's incorporated in India internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities. Refer Note 28(i) to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 12(b)(ii) to the consolidated financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 117364W)

Nilesh.Shah
Partner
(Membership No. 49660)

Place : Mumbai
Date: 27th June, 2016

For J. C. Bhatt & Associates
Chartered Accountants
(Firm Registration No. 130923W)

J.C. Bhatt
Partner
(Membership No. 10977)

Place : Mumbai
Date: 27th June, 2016

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Afcons Infrastructure Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, its associate companies and its Jointly controlled companies, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and jointly controlled companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting of the aforesaid entities.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Opinion

In our opinion to the best of our information and according to the explanations given to us and taking into consideration the reports of the other auditors referred to in Other Matters paragraph below, the Holding Company, its subsidiary companies, its associate companies and its jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies, one associate company and one jointly controlled company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 117364W)

Nilesh.Shah
Partner
(Membership No. 49660)

Place : Mumbai
Date: 27th June, 2016

For J. C. Bhatt & Associates
Chartered Accountants
(Firm Registration No. 130923W)

J.C. Bhatt
Partner
(Membership No. 10977)

Place : Mumbai
Date: 27th June, 2016

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Consolidated Balance Sheet as at 31st March, 2016

Particulars		Note No.	As at 31 st March, 2016	As at 31 st March, 2015
			₹ in Lacs	₹ in Lacs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	52,197.02	52,197.02
	(b) Reserves and surplus	4	69,981.87	64,756.42
			122,178.89	116,953.44
2	Minority Interest (net)		(306.17)	(130.76)
3	Non-current liabilities			
	(a) Long-term borrowings	5	85,764.50	62,442.25
	(b) Deferred tax liabilities (net)	6	14,706.80	12,434.52
	(c) Other long-term liabilities	7	29,391.59	43,918.73
	(d) Long-term provisions	8	1,329.73	866.97
			131,192.62	119,662.47
4	Current liabilities			
	(a) Short-term borrowings	9	99,055.96	86,780.61
	(b) Trade payables	10	139,453.58	110,110.27
	(c) Other current liabilities	11	96,581.44	96,238.00
	(d) Short-term provisions	12	3,582.45	2,272.00
			338,673.43	295,400.88
	Total		591,738.77	531,886.03
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	13.A	109,914.48	97,823.87
	(ii) Intangible assets	13.B	292.39	202.29
	(iii) Capital work-in-progress	13.C	12,428.31	17,448.36
			122,635.18	115,474.52
	(b) Goodwill on Consolidation		519.93	437.44
	(c) Non-current investments	14	8,822.71	8,612.71
	(d) Long-term loans and advances	15	25,244.73	24,059.80
	(e) Other non-current assets	16	48,061.79	53,486.20
			205,284.34	202,070.67
2	Current assets			
	(a) Inventories	17	279,468.93	238,619.62
	(b) Trade receivables	18	56,928.46	42,533.80
	(c) Cash and bank balances	19	15,229.58	15,150.39
	(d) Short-term loans and advances	20	16,485.60	17,758.89
	(e) Other current assets	21	18,341.86	15,752.66
			386,454.43	329,815.36
	Total		591,738.77	531,886.03
See accompanying notes 1 to 50 forming part of the financial statements				

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

For J.C. BHATT & ASSOCIATES
CHARTERED ACCOUNTANTS

S.P.MISTRY
Chairman

K.SUBRAHMANYAN
Vice Chairman &
Managing Director

NILESH SHAH
Partner

J.C.BHATT
Partner

S.PARAMASIVAN
Deputy Managing Director

P.N. KAPADIA
Director

N.D.KHURDY
Director

R.M.PREMKUMAR
Director

Place: Mumbai
Date: 27th June, 2016

P.R. RAJENDRAN
Company Secretary

ASHOK G.DARAK
Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

Particulars		Note No.	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
			₹ in Lacs	₹ in Lacs
1	Revenue from operations	22	445,878.51	393,049.59
2	Other income	23	13,366.40	13,974.20
3	Total revenue (1+2)		459,244.91	407,023.79
4	Expenses			
	(a) Cost of construction	24	305,590.82	266,415.23
	(b) Employee benefits expense	25	52,674.77	52,912.02
	(c) Finance costs	26	27,099.54	21,308.84
	(d) Depreciation and amortisation expense	13.D	12,280.60	13,880.21
	(e) Other expenses	27	47,022.92	44,625.71
	Total expenses		444,668.65	399,142.01
5	Profit before tax (3-4)		14,576.26	7,881.78
6	Tax expense:			
	(a) Tax expense for current year		4,670.02	2,974.33
	(b) MAT credit		-	(2,054.30)
	(c) Deferred tax		2,272.28	1,038.24
	(d) Tax expense relating to prior period (net)		198.95	605.26
			7,141.25	2,563.53
7	Profit after tax and before Minority interest (5-6)		7,435.01	5,318.25
8	Minority Interest		183.86	(28.01)
9	Profit for the year (7+8)		7,618.87	5,290.24
10	Earnings per share (face value of ₹ 10/- each):	37		
	(a) Basic		10.58	7.34
	(b) Diluted		2.23	1.55
See accompanying notes 1 to 50 forming part of the financial statements				

In terms of our report attached

For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

For J.C. BHATT & ASSOCIATES
CHARTERED ACCOUNTANTS

NILESH SHAH
Partner

J.C.BHATT
Partner

Place: Mumbai
Date: 27th June, 2016

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman

K.SUBRAHMANYAN
Vice Chairman &
Managing Director

S.PARAMASIVAN
Deputy Managing Director

P.N. KAPADIA
Director

N.D.KHURDY
Director

R.M.PREMKUMAR
Director

P.R. RAJENDRAN
Company Secretary

ASHOK G.DARAK
Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Consolidated Cash Flow Statement for the year ended 31st March, 2016

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Cash flow from operating activities		
Profit before tax	14,576.26	7,881.78
Adjustments for :		
Depreciation	12,280.60	13,880.21
Loss on sale of fixed assets (net)	429.35	77.57
Dividend income	(162.00)	(300.00)
Interest income	(9,755.96)	(8,528.27)
Interest expense	24,739.37	19,204.19
Bad / irrecoverable Debtors / Unbilled Revenue / Advances / Duty Scrip w/off	888.69	2.81
Provision for doubtful debtors / advances no longer required written back	(320.03)	-
Creditors / Excess Provision for expenses of earlier years written back	(775.26)	(1,094.48)
Provision for Projected Losses on contract (net)	(50.97)	52.59
Operating profit before working capital changes	41,850.05	31,176.40
(Increase) in Inventories	(40,849.31)	(54,395.82)
(Increase) / Decrease in Trade receivables	(14,394.66)	508.50
(Increase) / Decrease in Loans and Advances and Other Assets	3,977.80	(25,173.38)
Increase in Trade, Other payables and Provisions	24,725.88	75,320.23
Cash from Operations	15,309.76	27,435.93
Direct taxes - (paid) (including interest)	(1,492.41)	(5,979.45)
Net Cash flow from operating activities	13,817.35	21,456.48
Cash flow from investing activities		
Purchase of fixed assets	(19,999.41)	(20,854.07)
Proceeds from sale of fixed assets	454.97	50.22
Purchase of Investments	(210.00)	-
Consideration paid on acquisition of a subsidiary	(82.49)	(423.54)
Dividend received	162.00	300.00
Distribution of Loss to JV Partner	20.87	-
Investment in Other bank balance (made) / redeemed	(159.77)	793.08
Interest received	5,416.95	1,860.13
Net Cash flow (used in) investing activities	(14,396.88)	(18,274.18)
Cash flow from financing activities		
Proceeds from long-term borrowings	55,189.69	35,507.37
Repayment of long-term borrowings	(39,702.27)	(17,778.69)
(Repayment) / Proceeds from short term borrowings - net	12,275.35	8,550.64
Interest paid	(24,443.90)	(19,222.06)
Dividend paid on Equity Shares (including tax for previous year) {Interim}	(2,814.50)	(1,079.55)
Dividend paid on Preference Shares (including tax)	(5.42)	(4.10)
Net Cash flow from financing activities	498.95	5,973.61
Net (decrease) / increase in cash and cash equivalents	(80.58)	9,155.91
Cash and cash equivalents at the beginning of the year	14,243.10	5,087.19
Cash and cash equivalents at the end of the year	14,162.52	14,243.10

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS-3) "Cash Flow Statements" notified under the Companies (Accounting Standards) Rules, 2006
- Cash and Cash equivalents includes unrealised Profit / (Loss) of ₹ (8.69) Lacs (Previous year ₹ 29.49 lacs) on account of translation of foreign currency bank balances.
- Figures relating to previous year have been recast where necessary to conform to figures of the current year.

In terms of our report attached		For and on behalf of the Board of Directors	
For DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS	For J.C. BHATT & ASSOCIATES CHARTERED ACCOUNTANTS	S.P.MISTRY Chairman	K.SUBRAHMANYAN Vice Chairman & Managing Director
NILESH SHAH Partner	J.C.BHATT Partner	S.PARAMASIVAN Deputy Managing Director	P.N. KAPADIA Director
		N.D.KHURDODY Director	R.M.PREMKUMAR Director
Place: Mumbai Date: 27 th June, 2016		P.R. RAJENDRAN Company Secretary	ASHOK G.DARAK Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

Note	Particulars																																																			
1	Significant accounting policies																																																			
1.1	Principles of Consolidation:																																																			
	The Consolidated Financial Statements relate to Afcons Infrastructure Limited (the "Holding Company"), its subsidiaries and jointly controlled entities (the Holding Company, its subsidiaries and jointly controlled entities constitute the "Group") which have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The consolidated financial statements have been prepared on the following basis:																																																			
1.1.1	The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS- 21) "Consolidated Financial Statements" notified under the Companies (Accounting Standards) Rules, 2006.																																																			
1.1.2	The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.																																																			
1.1.3	The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of Profit and Loss as the profit or loss on sale of investment in subsidiary.																																																			
1.1.4	Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.																																																			
1.1.5	Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.																																																			
1.1.6	In case of associates, where the Company directly or indirectly through subsidiaries holds more than 20% of equity or exercises significant influence over the investee, investments are accounted for using equity method in accordance with Accounting Standard (AS-23) "Accounting for Investments in Associates in consolidated financial statements" notified under the Companies (Accounting Standards) Rules, 2006.																																																			
1.1.7	The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.																																																			
1.1.8	The Company's interest in Jointly Controlled Entities are consolidated on a proportionate consolidation basis by adding together the proportionate book values of assets, liabilities, income and expenses and eliminating the unrealised profits/losses on intra-group transactions.																																																			
1.1.9	As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiaries when they are used in preparing the consolidated financial statements that are presented in the same manner as the Company's separate financial statements.																																																			
1.1.10	The accounts of the Indian subsidiaries have been prepared in compliance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable and those of the foreign subsidiaries have been prepared in compliance with the local laws and applicable Accounting Standards. In the opinion of the Management, based on the analysis of the significant transactions of those subsidiaries, no material adjustments are required to be made to comply with group accounting policies / Indian GAAP.																																																			
1.2	As required by Accounting Standard (AS-23) "Accounting for Investments in Associates on consolidated financial statements" notified under the Companies (Accounting Standards) Rules, 2006, the carrying amounts of investments in Associates is adjusted for post acquisition change in the Company's share in the net assets of the associates after eliminating unrealised profits or losses, if any.																																																			
1.3	The list of the subsidiaries of the Company which are included in the consolidation and the Group's holding therein are as under:																																																			
	<table><tr><th>Name of Subsidiary</th><th>Country of Incorporation</th><th>Percentage Holding-Share</th></tr><tr><td>Hazarat and Company Private Limited.</td><td>India</td><td>100%</td></tr><tr><td>Afcons Corrosion Protection Pvt. Ltd</td><td>India</td><td>100%</td></tr><tr><td>Afcons Offshore and Marine Services Pvt. Limited.</td><td>India</td><td>100%</td></tr><tr><td>Afcons Infrastructure Kuwait for Building, Road and Marine Contracting WLL*</td><td>Kuwait</td><td>49%</td></tr><tr><td>Afcons Construction Mideast LLC*</td><td>U.A.E</td><td>49%</td></tr><tr><td>Afcons Overseas Construction LLC*</td><td>Qatar</td><td>49%</td></tr><tr><td>Afcons Gulf International Projects Services FZE #</td><td>U.A.E.</td><td>100%</td></tr><tr><td>Afcons Mauritius Infrastructure Limited (AMIL)</td><td>Mauritius</td><td>100%</td></tr><tr><td>Afcons Pauling Joint Venture</td><td>India</td><td>95%</td></tr><tr><td>Afcons Gunanusa Joint Venture</td><td>India</td><td>80%</td></tr><tr><td>Transtonneltstroy Afcons Joint Venture</td><td>India</td><td>99%</td></tr><tr><td>Dahej Standby Jetty Project Undertaking</td><td>India</td><td>100%</td></tr><tr><td>Afcons Overseas Singapore Pte Ltd.</td><td>Singapore</td><td>100%</td></tr><tr><td>Afcons Infra Projects Kazakhstan, LLP %</td><td>Kazakhstan</td><td>100%</td></tr><tr><td>Afcons Saudi Constructions LLC (w.e.f. 2nd June, 2015)</td><td>Saudi Arabia</td><td>100%</td></tr><tr><td>Afcons Overseas Project Gabon SARL (w.e.f. 27th October, 2015) %</td><td>Gabon</td><td>100%</td></tr></table>	Name of Subsidiary	Country of Incorporation	Percentage Holding-Share	Hazarat and Company Private Limited.	India	100%	Afcons Corrosion Protection Pvt. Ltd	India	100%	Afcons Offshore and Marine Services Pvt. Limited.	India	100%	Afcons Infrastructure Kuwait for Building, Road and Marine Contracting WLL*	Kuwait	49%	Afcons Construction Mideast LLC*	U.A.E	49%	Afcons Overseas Construction LLC*	Qatar	49%	Afcons Gulf International Projects Services FZE #	U.A.E.	100%	Afcons Mauritius Infrastructure Limited (AMIL)	Mauritius	100%	Afcons Pauling Joint Venture	India	95%	Afcons Gunanusa Joint Venture	India	80%	Transtonneltstroy Afcons Joint Venture	India	99%	Dahej Standby Jetty Project Undertaking	India	100%	Afcons Overseas Singapore Pte Ltd.	Singapore	100%	Afcons Infra Projects Kazakhstan, LLP %	Kazakhstan	100%	Afcons Saudi Constructions LLC (w.e.f. 2 nd June, 2015)	Saudi Arabia	100%	Afcons Overseas Project Gabon SARL (w.e.f. 27 th October, 2015) %	Gabon	100%
Name of Subsidiary	Country of Incorporation	Percentage Holding-Share																																																		
Hazarat and Company Private Limited.	India	100%																																																		
Afcons Corrosion Protection Pvt. Ltd	India	100%																																																		
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	* It is accounted based on control exercised by the Company on the composition of Board of Directors.																																																			
	# Subsidiary of AMIL																																																			
	% Subsidiary of Afcons Overseas Singapore Pte Ltd.																																																			

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

Note	Particulars										
1.4	<p>The associate of the Group which is included in the consolidation and the Group's holdings therein is as under:</p> <table><tr><th>Name of the Associate</th><th>Country of Incorporation</th><th>Percentage Holding-Share</th></tr><tr><td>Afcons (Mideast) Constructions and Investments Private Limited *</td><td>India</td><td>Less than 1%</td></tr></table> <p>* It is accounted based on significant influence by the Company on the composition of Board of Directors.</p>	Name of the Associate	Country of Incorporation	Percentage Holding-Share	Afcons (Mideast) Constructions and Investments Private Limited *	India	Less than 1%				
Name of the Associate	Country of Incorporation	Percentage Holding-Share									
Afcons (Mideast) Constructions and Investments Private Limited *	India	Less than 1%									
1.5	<p>The list of the joint ventures of the group that are included in the consolidation and the Group's holding therein are as under:</p> <table><tr><th>Name of the Joint Ventures</th><th>Percentage Holding – Share</th></tr><tr><td>Strabag AG Afcons Joint Venture, India</td><td>40%</td></tr><tr><td>Saipem Afcons Joint Venture, Oman</td><td>50%</td></tr><tr><td>Ircon Afcons Joint Venture, India</td><td>47%</td></tr><tr><td>Afcons Sener LNG Construction Projects Pvt.Ltd.,India (w.e.f.13.01.2015)</td><td>49%</td></tr></table>	Name of the Joint Ventures	Percentage Holding – Share	Strabag AG Afcons Joint Venture, India	40%	Saipem Afcons Joint Venture, Oman	50%	Ircon Afcons Joint Venture, India	47%	Afcons Sener LNG Construction Projects Pvt.Ltd.,India (w.e.f.13.01.2015)	49%
Name of the Joint Ventures	Percentage Holding – Share										
Strabag AG Afcons Joint Venture, India	40%										
Saipem Afcons Joint Venture, Oman	50%										
Ircon Afcons Joint Venture, India	47%										
Afcons Sener LNG Construction Projects Pvt.Ltd.,India (w.e.f.13.01.2015)	49%										
2	Basis of Accounting										
2.1	<p>The Accounts are prepared on accrual basis under the historical cost convention and to comply in all material aspects with the Generally Accepted Accounting Principles (GAAP) in India to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable.</p>										
2.2	<p>Use of Estimates</p> <p>The preparation of financial statements in conformity with Indian GAAP requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as on the date of financial statements. All information on key policies and the basis of the estimates and the major sources of uncertainties have been disclosed along with the respective note. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, classification of current/non current, assets/liabilities etc. Difference between actual results and estimates are recognised in the period in which the results are known / materialise.</p>										
2.3	<p>Cash flow statement</p> <p>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 based on the available information.</p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition) highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>										
2.4	<p>Tangible Fixed Assets</p> <p>Tangible Fixed assets are stated at cost of acquisition/construction; inclusive of inward freight, duties, taxes, installation expenses and any expenses directly attributable to the assets to bring them to site and in working condition for its intended use; or book value and include amounts added on revaluation less accumulated depreciation (refer note 13(D)) and impairment loss, if any. The Company has adopted the provisions of para 46 / 46A of AS 11 "The Effects of Changes in Foreign Exchange Rates", accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.</p> <p>Leasehold improvements have been capitalized and are written off over the primary lease term not exceeding five years.</p>										
2.5	<p>Intangible Fixed Assets</p> <p>Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 – "Intangible Assets".</p>										
2.6	<p>Depreciation</p> <p>Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.</p> <p>Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:</p> <p>Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road Making, Laboratory & Welding Equipments - 20 Years.</p> <p>Tunnel Boring Machines - Length of the tunnel bored over life of the construction project for where it is used.</p> <p>Capital Spares - 4 years</p> <p>Leasehold land is amortised over the duration of the lease.</p> <p>Intangible assets are amortised over their estimated useful life on straight line method as follows:</p> <p>Computer Software - 5 years</p> <p>The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.</p>										

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

Note	Particulars
2.7 Impairment	<p>The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:</p> <p>(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.</p> <p>If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.</p> <p>The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.</p> <p>When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.</p>
2.8 Investments	<p>Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, when there is a decline, other than temporary in the value of the long term investment, the carrying amount is reduced to recognize the decline.</p> <p>Investment in shares of the subsidiaries registered outside India, are stated at cost by converting at the rate of exchange prevalent at the time of acquisition thereof.</p>
2.9 Inventories	<p>a) Construction materials, stores and spare parts are valued at lower of cost and net realizable value. Cost is determined on the basis of weighted average method. Cost of shuttering materials (included in construction materials), issued to jobs, is charged off equally over a period of four years.</p> <p>b) Work done remaining to be certified / billed is treated as Construction Work in Progress in the accounts. The same is valued at the realizable value.</p>
2.10 Retention monies	<p>Amounts retained by the clients until satisfactory completion of the contract(s) are recognised in the financial statements as receivables. Where such retention monies have been released by the clients against submission of bank guarantees, the amounts so released are adjusted against receivables from these clients.</p>
2.11 Foreign currency transactions	<p>(i) Company: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.</p> <p>(ii) Integral foreign operations: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company's integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.</p> <p>(iii) Net investment in non-integral foreign operations: The exchange differences on restatement of long-term receivables / payables from / to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal / recovery is recognised.</p> <p>(iv) Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items (net of mark to market gain/loss on related forward contracts /options) are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.</p>
2.12 Revenue recognition on contracts	<p>a) Contract revenue and expenses are recognized, when outcome can be estimated reliably, on the basis of percentage completion method. Percentage of completion is determined based on the nature of contracts, either in proportion of contract costs incurred upto the reporting date to the estimated total cost or on the basis of physical proportion of the contract work completed.</p> <p>b) Contract revenue in case of 'Cost Plus' contracts is determined by adding the aggregate cost plus proportionate margin as agreed with the customer.</p> <p>c) Variations (in contracts) and amounts in respect thereof are recognized only when it is probable that the customer(s) will approve them and amounts can be measured reliably.</p> <p>d) Claims and amounts in respect thereof are recognized only when negotiations have advanced to a stage where it is probable that the customer(s) will accept them and amounts can be reliably measured. In the case of Arbitration Awards (the "Awards") which are granted in favor of the Company, the award amount (including interest thereon), are accounted when they are granted and where it is reasonable to expect ultimate collection of such awards.</p> <p>e) Revenue is recognised only when no significant uncertainties exist regarding its measurement and collectability.</p>

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

Note	Particulars
2.13 Export Benefits	Export benefits in the form of duty credit entitlement licenses granted by the Government of India under the "Served from India" scheme, on the basis of export realizations made, are recognised on the basis and to the extent of actual utilisation and management's estimate of their likely utilisation.
2.14 Government grants /subsidies	Benefit under Deemed Export scheme are recognised when there is a reasonable assurance that the Benefit will be received and all attaching conditions will be complied with.
2.15 Provision for Estimated Losses	Estimated losses, if any, in respect of contracts in progress are provided for based upon current estimates of cost to completion.
2.16 Employee benefits	<p>i) Gratuity Company's liability towards gratuity is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.</p> <p>ii) Superannuation The trustees of Afcons Infrastructure Limited Superannuation Scheme Trust have taken a Group Superannuation policy from the LIC. Provision for superannuation is made on the basis of premium payable in respect of the aforesaid policy.</p> <p>iii) Provident fund Contribution as required under the statute/ rules is made to the Government Provident Fund.</p> <p>iv) Compensated absences The liability for compensated absences is determined by actuarial valuation carried out by the independent actuary as at each balance sheet date and provided for as incurred in the period in which services are rendered by employees. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.</p> <p>v) Other Benefits The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by the employees is recognized during the period when the employee renders the service.</p> <p>vi) Actuarial gains and losses The actuarial gains and losses are recognised immediately in the statement of Profit and Loss.</p>
2.17 Borrowing costs	Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.
2.18 Segment Reporting:	<p>The following accounting policies have been followed for segment reporting:</p> <p>i) Segment Revenue includes income directly identifiable with / allocable to the segment.</p> <p>ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the Segment Results. The expenses which relate to the Group as a whole and not allocable to segments are included under Unallocable expenses.</p> <p>iii) Segment assets and liabilities include those directly identifiable with the respective segments.</p>
2.19 Leases	<p>Assets leased out under operating leases are capitalised. Rental Income is recognised on straight line basis over the lease term.</p> <p>Assets acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Lease rentals are charged to Statement of Profit & Loss on straight line basis over the lease term.</p>
2.20 Doubtful debts and advances	Provision is made in the accounts for debts and advances which in the opinion of the management are considered doubtful of recovery.
2.21 Taxation	<p>Income taxes are accounted for in accordance with Accounting Standard (AS-22) "Accounting for taxes on income". Income tax comprises both current and deferred tax.</p> <p>The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.</p> <p>Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realisation.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the entity.</p>

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

Note	Particulars
2.22	Interest Income Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates.
2.23	Accounting for joint ventures: Accounting for joint ventures has been done as follows :- Type of Joint Venture : Jointly Controlled Entity Accounting treatment : Interests in jointly controlled entities comprise of the share of the Group's interest in a company in which the Group has acquired joint control over its economic activities by contractual agreement. Interests in jointly controlled entities are included in the consolidated financial statements of the Group from the point in time at which the joint control is transferred to the Group and are no longer included in the consolidated financial statements from the point in time at which the joint control ceases. Interests in joint ventures are aggregated in the consolidated financial statements by using the proportionate consolidation method, which means that the Group's share in book values of like items of assets, liabilities, income and expenses are aggregated after eliminating the intra-Group balances and transactions to the extent of the proportionate share of the Group in the joint venture.
2.24	Provisions, Contingent Liabilities and Contingent Assets Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.
2.25	Derivatives Interest rates derivatives are marked to market and net loss (if any) is charged to statement of Profit and Loss

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

3. Share Capital

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
(a) Authorised				
Equity shares of ₹ 10 each.	350,000,000	35,000.00	350,000,000	35,000.00
Preference shares of ₹ 10 each.	650,000,000	65,000.00	650,000,000	65,000.00
Total	1,000,000,000	100,000.00	1,000,000,000	100,000.00
(b) Issued, Subscribed and Fully Paid up				
Equity shares of ₹ 10 each. (Refer Note (i) below)	71,970,238	7,197.02	71,970,238	7,197.02
0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares of ₹ 10 each. (Refer Note (ii) below)	100,000,000	10,000.00	100,000,000	10,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares of ₹ 10 each. (Refer Note (iii) below)	250,000,000	25,000.00	250,000,000	25,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares of ₹ 10 each. (Refer Note (iv) below)	100,000,000	10,000.00	100,000,000	10,000.00
Total	521,970,238	52,197.02	521,970,238	52,197.02

Notes:

(i). Rights, preferences and restrictions attached to Equity Shares:

- Rights to receive dividend as may be approved by the Board / Annual General Meeting.
- The Equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

(ii). Rights, preferences and restrictions attached to 0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares:

- The Preference Shares shall be non-cumulative and non profit participating convertible Preference Shares carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares.
- The Preference Shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25 per equity share (consisting of par of ₹10 and a premium of ₹ 58.25) immediately, automatically and without any further act of the parties in the event of conversion of the Preference Shares mentioned in note iii(a) below.
- Every member of the Company holding preference shares has a right to vote in the General Meeting of the Company on resolutions placed before the Company which directly affect the rights attached to his preference shares.

(iii). Rights, preferences and restrictions attached to 0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares:

- The Preference Shares shall be automatically and mandatorily converted into equity shares on 13th January, 2019 ("Mandatory Conversion Date") i.e. on the Eleventh year from the Issue date. The mandatory conversion date of the 0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares has been revised from 13th January, 2013 (5th year from the date of issue) to 13th January, 2019 (11th year from the date of issue) in terms of the consent letter obtained from the preference shareholder and the special resolution passed by the members of the Company at the Extra Ordinary General Meeting of the Company held on 10th January, 2013.
- On Mandatory Conversion Date, the Preference Shares shall be converted into such number of equity shares of the Company constituting 74% of all the outstanding equity share capital of the Company calculated on a fully diluted basis.
- The Preference Shares shall be entitled to fixed non-cumulative preferential dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.
- On return of capital on a liquidation or otherwise of the assets of the Company, the holder of Preference Shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the Preference Shares held by it.
- Every member of the Company holding preference shares has a right to vote in the General Meeting of the Company on resolutions placed before the Company which directly affect the rights attached to his preference shares.

(iv). Rights, preferences and restrictions attached to 0.01% Fully and Compulsorily Convertible Non-Cumulative, Non Participatory Preference shares:

- The Preference Shares shall be automatically and mandatorily converted into equity shares on 21st March, 2019 ("Mandatory Conversion Date") i.e. on the expiry of Five year from the Issue date.
- On Mandatory Conversion Date, the Preference Shares shall be converted into such number of equity shares of the Company at the price of ₹ 132 per Equity shares (consisting of par of ₹ 10 and a premium of ₹ 122).
- The Preference Shares shall be entitled to fixed non-cumulative preferential dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.
- On return of capital on a liquidation or otherwise of the assets of the Company, the holder of Preference Shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the Preference Shares held by it.
- Every member of the Company holding preference shares has a right to vote in the General Meeting of the Company on resolutions placed before the Company which directly affect the rights attached to his preference shares.

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

3. Share Capital (Continued)

(v). Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	71,970,238	7,197.02	71,970,238	7,197.02
Equity shares outstanding at the end of the year	71,970,238	7,197.02	71,970,238	7,197.02
0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Preference shares outstanding at the end of the year	100,000,000	10,000.00	100,000,000	10,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares at the beginning of the year	250,000,000	25,000.00	250,000,000	25,000.00
Preference shares outstanding at the end of the year	250,000,000	25,000.00	250,000,000	25,000.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Preference shares outstanding at the end of the year	100,000,000	10,000.00	100,000,000	10,000.00

(vi). Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31 st March, 2016			As at 31 st March, 2015		
	Equity Shares	0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares	0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares	Equity Shares	0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares	0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares
	Number of shares			Number of shares		
Shapoorji Pallonji & Co.Pvt.Ltd., the holding company	49,026,389	-	100,000,000	49,009,022	-	100,000,000
Subsidiaries of the holding company:						
Floreat Investments Limited (FIL)	13,015,929	100,000,000	-	13,015,929	100,000,000	-
Renaissance Commerce Pvt. Limited	4,016,250	-	-	4,016,250	-	-
Hermes Commerce Ltd	4,016,250	-	-	4,016,250	-	-

(vii). Details of shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / Name of shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Shapoorji Pallonji & Co.Pvt.Ltd	49,026,389	68.12	49,009,022	68.10
Floreat Investments Limited	13,015,929	18.09	13,015,929	18.09
Renaissance Commerce Pvt. Ltd	4,016,250	5.58	4,016,250	5.58
Hermes Commerce Ltd.	4,016,250	5.58	4,016,250	5.58
0.01% Non Cumulative and Non Profit Participatory Convertible Preference Shares				
Floreat Investments Limited	100,000,000	100.00	100,000,000	100.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares				
Goswami Infratech Private Ltd.	250,000,000	100.00	250,000,000	100.00
0.01% Fully and Compulsorily Convertible Non-Cumulative Non Participatory Preference shares				
Shapoorji Pallonji & Co.Pvt.Ltd.	100,000,000	100.00	100,000,000	100.00

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

4. Reserves and Surplus

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Capital reserve		
Opening balance	83.78	83.78
Closing balance	83.78	83.78
(b) Capital redemption reserve		
Opening balance	12.50	12.50
Closing balance	12.50	12.50
(c) Securities premium account		
Opening balance	1,028.00	1,028.00
Closing balance	1,028.00	1,028.00
(d) Contingencies reserve		
Opening balance	800.00	800.00
Closing balance	800.00	800.00
(e) Debenture redemption reserve		
Opening balance	2,540.00	1,250.00
Add : Transferred from surplus in Statement of Profit & Loss	1,917.00	1,290.00
Closing balance	4,457.00	2,540.00
(f) General reserve		
Opening balance	6,574.98	6,574.98
Closing balance	6,574.98	6,574.98
(g) Foreign currency translation reserve		
Opening balance	548.38	250.94
Add : Effect of foreign exchange rate variations during the year	189.79	297.44
Closing balance	738.17	548.38
(h) Surplus in Statement of Profit and Loss		
Opening balance	53,168.78	50,809.83
Add: Profit for the year	7,618.87	5,290.24
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Refer note 45)	-	340.48
Less: Appropriations		
Interim Dividend on Equity Shares (₹ 3.00 per share) (Previous Year ₹ 1.50 per share)	2,159.11	1,079.55
Proposed Dividend on Preference Shares (₹ 0.001 per share) (Previous Year ₹ 0.001 per share)	4.50	4.50
Tax on dividend	440.47	216.76
Distribution of Profit / (Loss) to JV Partners	(20.87)	-
Transferred to Debenture redemption reserve	1,917.00	1,290.00
Closing balance	56,287.44	53,168.78
Total	69,981.87	64,756.42

5. Long-term borrowings

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Debentures (Unsecured) (Refer Note 5A)	30,000.00	20,000.00
(b) Working Capital loans (Refer Note (i) of 5B)		
From banks		
Secured	20,000.00	15,000.00
(c) Equipment Loan (Secured) (Refer Note (ii) of 5B)		
From banks		
Rupee Loan	28,000.00	10,514.83
Foreign Currency Loan	7,287.50	15,436.32
(d) Other loans and advances (Refer Note (iii) of 5B)		
Foreign Currency Loan (Secured)		
Buyers Credit from Banks	477.00	1,491.10
Total	85,764.50	62,442.25

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

5. Long-term borrowings (Continued)

(A) Details of Debentures

Particulars	Terms of repayment	As at 31 st March, 2016		As at 31 st March, 2015	
		Secured	Unsecured	Secured	Unsecured
		₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
<u>Unsecured, Redeemable, Unlisted, Non-Convertible Debentures (NCDs)</u>					
i) 10.45% NCDs	Refer Note (i) below	-	10,000.00	-	10,000.00
ii) 9.99% NCDs	Refer Note (ii) below	-	5,000.00	-	5,000.00
iii) 9.87% NCDs	Refer Note (iii) below	-	5,000.00	-	5,000.00
iv) 9.05% NCDs	Refer Note (iv) below	-	10,000.00	-	-
Total Non-Convertible Debentures		-	30,000.00	-	20,000.00

Notes:

- The NCDs carry interest @ 10.45% per annum payable quarterly and are redeemable in full at the end of 5 years from the date of issue i.e. 12th February, 2018. The NCDs carry a Put option to the holders and a Call option to the Company to get the NCDs redeemed at any time after 3 1/2 years from the date of allotment i.e. 12th August, 2016, by giving a 30 days notice to the other party.
- The NCDs carry interest @ 9.99% per annum payable annually and are redeemable in full at the end of 3 years and 40 days from the date of allotment i.e. 26th April, 2018.
- The NCDs carry interest @ 9.87% per annum payable semi annually and are redeemable in full at the end of 5 years and 20 days from the date of allotment i.e. 6th April, 2020.
- The NCDs carry interest @ 9.05% per annum payable semi annually and are redeemable in full at the end of 5 years from the date of allotment i.e. 15th January, 2021. The NCDs carry a Put option to the holders and Call option to the Company to get the NCDs redeemed at any time after 3 years 3 months and 16 days from the date of allotment i.e. 30th April, 2019, by giving 30 days notice to the other party.

(B) Details of terms of repayment of long-term borrowings from Banks and security provided in respect thereof:

Particulars	Terms of repayment and security	As at 31 st March, 2016		As at 31 st March, 2015	
		Secured ₹ in Lacs	Unsecured ₹ in Lacs	Secured ₹ in Lacs	Unsecured ₹ in Lacs
(i) Working Capital loans from banks					
Axis Bank Ltd. (Refer Note (i) below)	Refer Note (i & ii) below	10,000.00	-	-	-
State Bank of India (Refer Note (i) below)		10,000.00	-	15,000.00	-
Total - Term Loan		20,000.00	-	15,000.00	-
(ii) Equipment Loan from banks					
Rupee Loan:					
Indian Overseas Bank	Refer Note (iii) below	-	-	514.83	-
State Bank of India		28,000.00	-	10,000.00	-
Foreign Currency Loan (ECB):					
DBS Bank Ltd		-	-	3,742.14	-
HSBC Bank		-	-	3,742.14	-
Societe Generale		7,287.50	-	7,952.04	-
Total - Equipment Loan		35,287.50	-	25,951.15	-
(iii) Other Loans and Advances from banks - Buyer's Credit Foreign Currency Loans					
State Bank of India	Refer Note (iv) below	-	-	1,491.10	-
Yes Bank		477.00	-	-	-
Total - Other loans and advances		477.00	-	1,491.10	-
Total Long-term Borrowings from Banks		55,764.50	-	42,442.25	-

Notes:

- Working Capital loan from Axis Bank is secured by subservient charge over current assets and Working Capital loan from State Bank of India is secured by second charge on Plant and Machinery.

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

5. Long-term borrowings (Continued)

- (ii) Working Capital loans from Banks carry interest ranging from respective bank's Base rate + 0.50% to respective bank's Base rate + 0.70% per annum. The repayment schedule of the loans are as follows.

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20
Axis Bank Ltd.	10,000.00	-	1 installment of ₹ 10,000.00	-
State Bank of India	10,000.00	2 installments of ₹ 2,500.00 each	1 installment of ₹ 2,500.00	1 installment of ₹ 2,500.00

Previous Year

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2016-17	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20
State Bank of India	15,000.00	2 installments of ₹ 2,500.00 each	2 installments of ₹ 2,500.00 each	1 installment of ₹ 2,500.00	1 installment of ₹ 2,500.00

- (iii) Secured by first pari passu charge on Plant & Machinery. The Rupee loans carry interest ranging from Base rate + 0.65% to Base rate + 0.75% per annum and Foreign currency loan carry interest ranging from Libor + 2.35% to Libor + 2.70% per annum. The repayment schedule of the loans are as follows.

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20	Repayment in 2020-21	Repayment in 2021-22	Repayment in 2022-23
Rupee Loan:							
State Bank of India	28,000.00	Installments of ₹ 2,000.00, ₹ 3,333.00	Installments of ₹ 2,000.00, ₹ 3,333.00	Installments of ₹ 2,000.00, ₹ 3,333.00	Installments of ₹ 2,000.00, ₹ 3,333.00	1 installments of ₹ 3,333.00	1 installments of ₹ 3,335.00
Foreign Currency Loan:							
Societe Generale	7,287.50	2 installments of ₹ 662.50 each	2 installments of ₹ 993.75 each	2 installments of ₹ 993.75 each	2 installments of ₹ 993.75 each	-	-

Previous Year

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2016-17	Repayment in 2017-18	Repayment in 2018-19	Repayment in 2019-20	Repayment in 2020-21
Rupee Loan:						
Indian Overseas Bank	514.83	1 Installments of ₹ 514.83	-	-	-	-
State Bank of India	10,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00	1 installment of ₹ 2,000.00
Foreign Currency Loan:						
DBS Bank Ltd	3,742.14	3 installments of ₹ 1247.38 each	-	-	-	-
HSBC Bank	3,742.14	2 installments of ₹ 1,871.07 each	-	-	-	-
Societe Generale	7,952.04	Installments of ₹ 467.77 & ₹ 623.69	2 installments of ₹ 623.69 each	2 installments of ₹ 935.54 each	2 installments of ₹ 935.53 each	2 installments of ₹ 935.53 each

- (iv) The Loan carry interest @ Libor + 0.86% per annum.

Secured by a first charge by way of equitable mortgage on the immovable properties of the Company situated in Andheri, Mumbai on a pari-passu basis with other consortium banks. It is further secured by hypothecation of the Company's stocks of construction materials, stores, work in progress, book debts and first charge on plant and machinery of the Company on pari-passu basis with other consortium banks and term lenders upto 50% of the Fund Based Limits

The repayment schedule of the loans are as follows:

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2018-19
Yes Bank	477.00	1 installments of ₹ 477.00

Previous Year

Bank Name	Loan Amount (₹ in Lacs)	Repayment in 2016-17
State Bank of India	1,491.10	Installments of ₹ 156.75, ₹ 156.74, ₹ 199.13, ₹ 420.52 & ₹ 557.96

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

6. Major components of deferred tax (asset) and liabilities are as under:

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Deferred tax liability / (asset)		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	5,336.00	4,748.73
Arbitration Awards (including interest)	10,966.90	9,755.14
Tax effect of items constituting deferred tax liability	16,302.90	14,503.87
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for compensated absences, gratuity and other employee benefits	(664.89)	(487.47)
Provision for doubtful debts / advances	(604.36)	(715.12)
Provision for projected losses	(154.36)	-
Others (includes carry forward losses, etc.)	(172.49)	(866.76)
Tax effect of items constituting deferred tax assets	(1,596.10)	(2,069.35)
Net deferred tax liability	14,706.80	12,434.52

7. Other long-term liabilities

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Trade Payables - Retention monies	10,089.37	6,536.50
(b) Others:		
(i) Advances from customers	19,302.22	37,359.09
(ii) Statutory remittances (VAT, Service Tax, etc.)	-	23.14
Total	29,391.59	43,918.73

8. Long-term provisions

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Provision for employee benefits:		
(i) Provision for compensated absences	818.28	675.10
(ii) Provision for gratuity (net) (Refer Note 33)	511.45	191.87
Total	1,329.73	866.97

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

9. Short-term borrowings

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Working Capital Demand Loans		
From banks		
Secured (Refer Note below)	25,000.00	17,000.00
Unsecured	-	5,000.00
	25,000.00	22,000.00
(b) Short term Loans from Bank		
Foreign Currency Loan:		
Buyers Credit (Secured) (Refer Note below)	1,670.49	-
Packing Credit Finance		
Secured (Refer Note below)	6,625.00	-
Unsecured	-	935.54
	8,295.49	935.54
(c) Cash Credit Facility from Banks (Secured) (Refer Note below)	34,628.98	29,632.65
(d) Commercial Papers (Unsecured)		
From Banks		
Face Value	2,000.00	5,000.00
Less: Discount not written-off	129.59	370.76
	1,870.41	4,629.24
From Other parties		
Face Value	29,500.00	30,840.00
Less: Discount not written-off	238.92	1,256.82
	29,261.08	29,583.18
(Maximum amount outstanding during the year ₹ 60,670.39 Lacs) (Previous Year ₹ 55,000.05 Lacs)		
Total	99,055.96	86,780.61

Note:

(i) Details of security for the secured short-term borrowings:

Particulars	Terms of repayment and security	As at 31 st March, 2016	As at 31 st March, 2015
		₹ in Lacs	₹ in Lacs
Working Capital Demand Loans (WCDL)			
From banks:			
ING Vysya Bank	Refer Note below	-	12,000.00
IDBI Bank Ltd.		-	5,000.00
BNP Paribas		5,000.00	-
Export Import Bank of India		20,000.00	-
		25,000.00	17,000.00
Short Term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Yes Bank Ltd.	Refer Note below	1,670.49	-
Packing Credit Finance:			
State Bank of India	Refer Note below	6,625.00	-
Cash Credit Facility	Refer Note below	34,628.98	29,632.65

Note: Secured by a first charge by way of equitable mortgage on the immovable properties of the Company situated in Andheri, Mumbai on a pari-passu basis. It is further secured by hypothecation of the Company's stocks of construction materials, stores, work in progress, book debts and first charge on plant and machinery of the Company on pari- passu basis with other consortium banks and term lenders upto 50% of the Fund Based Limits. Cash credit facility and Working Capital Demand Loan is further secured by the Company's proportionate share of Current Assets in all the Joint Ventures both present and future. Buyers Credit from banks carry interest ranging from Libor + 0.34 bps per annum to Libor + 0.45 bps per annum and Cash Credit Facility and Working Capital Demand Loan from Banks carry interest ranging from 8.80% per annum to 12.25% per annum.

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

10. Trade payables

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Acceptances	3,057.15	5,105.03
Other than Acceptances	136,396.43	105,005.24
Total	139,453.58	110,110.27

11. Other current liabilities

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Current maturities of long-term debt (Refer Note (i) below)	18,227.86	26,801.67
(b) Interest accrued but not due on borrowings	585.31	289.84
(c) Advance against sale of scrap	127.92	166.12
(d) Unclaimed / unpaid dividends (Refer Note (ii) below)	52.54	26.85
(e) Unpaid matured deposits and interest accrued thereon (Refer Note (ii) below)	-	0.61
(f) Other payables		
(i) Statutory remittances (VAT, Service Tax, etc.)	2,272.06	2,958.18
(ii) Interest accrued on advance from customers	1,131.97	551.42
(iii) Trade / security deposits received	2,280.05	153.07
(iv) Advances from customers	63,824.26	55,505.13
(v) Advances from Others	1,247.35	2,910.53
(vi) Amount received on invocation of Bank Guarantees	6,832.02	6,872.79
(vii) Others	0.10	1.79
Total	96,581.44	96,238.00

Note: (i) Refer Notes B(i), B(ii) and B(iii) in Note 5 - Long-term borrowings for details of security

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Working Capital Loans from Banks (Secured)	5,000.00	12,500.00
(b) Equipment Loans from Banks (Secured)		
Ruppee Loan	2,514.75	3,740.18
Foreign Currency Loans (Secured)	9,109.38	9,667.20
(c) Other loans and advances (Secured)		
Foreign Currency Loan		
Buyers Credit from Banks	1,603.73	894.29
Total	18,227.86	26,801.67

(ii) This does not include any amount due and outstanding to be credited to the Investor Education and Protection Fund.

12. Short-term provisions

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Provision for employee benefits:		
(i) Provision for compensated absences	84.01	65.01
(ii) Provision for gratuity (net) (Refer Note 33)	507.46	476.55
	591.47	541.56
(b) Provision - Others:		
(i) Provision for tax (Net of advance tax ₹ 1,914.87 Lacs) (As at 31 st March, 2015 ₹ 2,015.24 Lacs)	2,539.53	1,012.18
(ii) Provision for projected loss on contract	446.03	497.00
(iii) Provision for proposed preference dividend	4.50	4.50
(iv) Tax on proposed dividend on Preference / Equity Shares	0.92	216.76
	2,990.98	1,730.44
Total	3,582.45	2,272.00

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

13. Fixed assets

A. Tangible assets

Particulars	Gross block			Depreciation / Amortisation				Net Block Balance as at 31 st March, 2016
	Balance as at 1 st April, 2015 ₹ in Lacs	Additions ₹ in Lacs	Disposals ₹ in Lacs	Balance as at 31 st March, 2016 ₹ in Lacs	Depreciation / amortisation expense for the year ₹ in Lacs	Other Adjustments ₹ in Lacs	Eliminated on disposal of assets ₹ in Lacs	Balance as at 31 st March, 2016 ₹ in Lacs
(a) Land								
Freehold	1.58	-	-	1.58	-	-	-	1.58
Leasehold	46.84	-	-	46.84	2.40	-	-	41.82
Buildings	1,857.54	1,405.83	-	3,263.37	58.13	-	-	1,765.31
(b) Plant and Equipment	133,643.64	21,645.95	(1,494.82)	153,794.77	10,001.04	-	(743.69)	61,142.81
(c) Furniture and Fixtures	2,994.40	577.54	(128.13)	3,443.81	723.42	-	(76.19)	968.29
(d) Vehicles	1,911.01	396.31	(139.85)	2,167.47	230.13	-	(98.66)	698.01
(e) Office Equipment	2,870.96	753.10	(90.98)	3,533.08	411.78	-	(74.53)	2,364.69
(f) Leasehold improvements	279.22	-	-	279.22	-	-	-	279.22
(g) Floating Equipments	16,014.99	266.79	-	16,281.78	1,045.48	-	-	5,983.14
(h) Laboratory Equipments	165.63	-	(71.13)	94.50	4.47	-	(51.42)	52.70
Total	159,785.81	25,045.52	(1,924.91)	182,906.42	12,074.49	-	(1,044.49)	72,991.94

Previous Year

Particulars	Gross block			Balance as at 31 st March, 2015 ₹ in Lacs	Depreciation / Amortisation				Net Block Balance as at 31 st March, 2015 ₹ in Lacs
	Balance as at 1 st April, 2014 ₹ in Lacs	Additions ₹ in Lacs	Disposals ₹ in Lacs		Balance as at 1 st April, 2014 ₹ in Lacs	Depreciation / amortisation expense for the year ₹ in Lacs	Other adjustments / Transition adjustment recorded against Surplus balance in Statement of Profit and Loss ₹ in Lacs	Eliminated on disposal of assets ₹ in Lacs	
(a) Land									
Freehold	1.58	-	-	1.58	-	-	-	-	1.58
Leasehold	16.58	30.26	-	46.84	1.66	-	-	-	44.22
Buildings	1,857.54	-	-	1,857.54	1,414.83	25.10	-	-	417.61
(b) Plant and Equipment	122,696.70	11,247.19	(300.25)	133,643.64	40,395.50	11,599.91	84.99	(194.94)	51,885.46
(c) Furniture and Fixtures	2,195.04	805.51	(6.15)	2,994.40	435.10	285.35	4.69	(1.72)	723.42
(d) Vehicles	1,415.53	509.27	(13.79)	1,911.01	384.98	185.55	0.82	(4.81)	566.54
(e) Office Equipment	2,596.42	289.13	(14.59)	2,870.96	1,146.85	555.09	334.54	(9.04)	2,027.44
(f) Leasehold improvements	279.22	-	-	279.22	279.22	-	-	-	279.22
(g) Floating Equipments	15,954.46	144.07	(83.54)	16,014.99	3,848.62	1,075.65	93.41	(80.02)	4,937.66
(h) Laboratory Equipments	151.04	14.59	-	165.63	89.51	8.70	1.44	-	99.65
Total	147,164.11	13,040.02	(418.32)	159,785.81	47,995.57	13,737.01	519.89	(290.53)	61,961.94

Notes:

- Some of the Fixed assets viz., Plant & Equipment, (including certain items fully written off in previous years) Laboratory Equipment, Barges (Floating equipments), New & Old Workshop and Office Building as on 1st April, 1990 were revalued on the basis of the valuation made by the external valuers resulting in net increase of ₹ 4,551.21 lacs being surplus on revaluation.
- Revalued amounts substituted for Historical Cost as at 1st April, 1990 and included under Gross Block are as under :
 - Plant & Equipment ₹ 4,261.48 lacs
 - Laboratory Equipments ₹ 124.45 lacs
 - Workshop & Godown ₹ 466.02 lacs
 - Buildings ₹ 1,260.00 lacs
 - Barges (Floating Equipments) ₹ 899.78 lacs
- Additions for the year includes foreign exchange capitalised during the period amounting to ₹ 28.97 Lacs (Previous Year ₹ 0.57 Lacs). The balance amount of Foreign exchange fluctuation, capitalised as a part of cost of Tangible Assets, remaining to be amortised is ₹ 956.97 Lacs (Previous year ₹ 901.79 Lacs) .

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

13. Fixed assets (Continued)

B. Intangible assets

Particulars	Gross block			Amortisation			Net Block
	Balance as at 1 st April, 2015	Additions	Disposals	Balance as at 31 st March, 2016	Balance as at 1 st April, 2015	Amortisation for the year	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
(a) Computer software - Acquired	803.55	300.11	(4.32)	1,099.34	621.26	206.11	272.39
(b) Goodwill - Acquired (Other than arising on Consolidation)	20.00	-	-	20.00	-	-	20.00
Total	823.55	300.11	(4.32)	1,119.34	621.26	206.11	292.39

Previous Year

Particulars	Gross block			Amortisation			Net Block
	Balance as at 1 st April, 2014	Additions	Disposals	Balance as at 31 st March, 2015	Balance as at 1 st April, 2014	Amortisation for the year	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
(a) Computer software - Acquired	795.09	8.46	-	803.55	478.06	143.20	182.29
(b) Goodwill - Acquired (Other than arising on Consolidation)	20.00	-	-	20.00	-	-	20.00
Total	815.09	8.46	-	823.55	478.06	143.20	202.29

C. Capital Work in Progress ₹ 12,428.31 Lacs (Previous year ₹ 17,448.36 Lacs)

(Capital work in progress includes capitalised foreign exchange fluctuation ₹ 1,040.22 Lacs (Previous year ₹ 605.68 Lacs))

D. Depreciation and amortisation:

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Depreciation and amortisation for the current year on tangible assets as per (A) above	12,074.49	13,737.01
Depreciation and amortisation for the current year on intangible assets as per (B) above	206.11	143.20
Depreciation and amortisation as per Statement of Profit and Loss	12,280.60	13,880.21

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

14. Non-current investments

Particulars	Face Value	As at 31 st March, 2016		As at 31 st March, 2015	
		Quantity	Amount ₹ in Lacs	Quantity	Amount ₹ in Lacs
A. Trade (Fully paid, at cost):					
(a) Investment in equity instruments (Unquoted) :					
(i) of subsidiaries					
Afcons Overseas Construction LLC, Qatar	QAR 1000	98	14.90		-
Less: Provision for Diminution in value of Investment			14.90		-
(ii) of associates			-		-
Afcons (Mideast) Constructions & Investments Pvt. Ltd.	₹ 100	1	0.11	1	0.11
Total - Trade (A)			0.11		0.11
B. Other investments (Fully paid, at cost):					
(a) Investment in equity instruments (Quoted)					
Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	29.34	40,072	29.34
Hindustan Construction Co. Ltd.	₹ 1	1,000	0.03	1,000	0.03
Simplex Infrastructures Ltd.	₹ 2	500	0.04	500	0.04
ITD Cementation India Ltd.	₹ 1	1000	0.42	100	0.42
Gammon India Ltd.	₹ 2	250	0.06	250	0.06
Tata Consultancy Services Ltd.	₹ 1	400,000	8,572.61	400,000	8,572.61
			8,602.50		8,602.50
(b) Investment in equity instruments (Unquoted)					
Simar Port Ltd.	₹ 10	1,000	0.10	1,000	0.10
(c) Investment in mutual funds (Unquoted):					
SBI Infrastructure Fund	₹ 10	50,000	5.00	50,000	5.00
UTI Infrastructure Fund - Growth Plan	₹ 10	12,731	5.00	12,731	5.00
ICICI Prudential Equity Arbitrage Fund - Growth Plan	₹ 10	1,064,245	210.00	-	-
			220.00		10.00
Total - Other investments (B)			8,822.60		8,612.60
Total (A+B)			8,822.71		8,612.71
Notes:					
(i) Aggregate amount of quoted investments			8,602.50		8,602.50
(ii) Aggregate market value of quoted investments			10,096.65		10,234.30
(iii) Aggregate amount of unquoted investments			220.21		10.21

15. Long-term loans and advances (Unsecured, considered good unless otherwise specified)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Capital advances	671.07	968.27
(b) Security deposits	1,328.24	1,281.71
(c) Prepaid expenses	295.07	168.40
(d) Advance income tax (net of provisions ₹ 7,365.02 Lacs) (As at 31 st March 2015 ₹ 6,622.26 Lacs)	5,985.63	7,512.14
(e) MAT credit entitlement	6,519.32	6,695.31
(f) Balances with government authorities		
(i) VAT credit receivable	7,628.23	4,491.75
(ii) Service Tax credit receivable	2,749.13	2,884.57
(iii) Other Deposits	68.04	57.65
	10,445.40	7,433.97
Total	25,244.73	24,059.80

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

16. Other non-current assets

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Long-term trade receivables - Under arbitration and Retention monies		
Unsecured, considered good	12,006.25	13,721.99
Doubtful	1,675.58	1,995.61
	13,681.83	15,717.60
Less: Provision for doubtful trade receivables	1,675.58	1,995.61
	12,006.25	13,721.99
(b) Construction Work-in-Progress - Under arbitration		
Unsecured, considered good	23,854.63	27,285.38
Doubtful	7.00	7.00
	23,861.63	27,292.38
Less: Advances received	131.97	2.55
Less: Provision for doubtful Construction Work-in-Progress	7.00	7.00
	23,722.66	27,282.83
(c) Interest on trade receivables as per arbitration awards	12,332.88	11,389.42
(d) Other Loans and Advances (Doubtful)	63.73	63.73
Less: Provision for other doubtful loans and advances	63.73	63.73
	-	-
(e) Other Bank Balances *	19.10	19.10
Less : Provision	19.10	19.10
	-	-
(f) Receivable under foreign currency contracts	-	1,091.96
Total	48,061.79	53,486.20

* The balances in these bank accounts are subject to exchange control restrictions for repatriation.

17. Inventories

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Construction Materials - at lower of cost and net realisable value		
Steel	13,556.54	10,883.26
Cement	1,596.21	828.81
Aggregate	9,990.67	1,224.56
Bitumen	443.71	2.48
Shuttering Material	5,440.74	4,659.78
Sand	836.06	241.39
Other Construction Material	8,117.57	5,799.88
	39,981.50	23,640.16
(b) Stores and spares - at lower of cost and net realisable value	20,925.78	13,591.50
	20,925.78	13,591.50
(c) Construction Work-in-Progress		
At estimated realisable value	298,074.61	246,619.28
Less: Advances received	79,512.96	45,231.32
	218,561.65	201,387.96
Total	279,468.93	238,619.62

18. Trade receivables

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	30,458.99	26,095.10
Other Trade receivables		
Unsecured, considered good	26,469.47	16,438.70
Total	56,928.46	42,533.80

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

19. Cash and cash equivalents

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
A. Cash and cash equivalents		
(a) Cash on hand	147.70	102.59
(b) Balances with banks		
(i) In current accounts	12,682.99	7,899.80
(ii) In deposit accounts (Original maturity of 3 months or less)	1,331.83	6,240.71
Total - cash and cash equivalents (A)	14,162.52	14,243.10
B. Other bank balances		
(a) In other deposit accounts		
- Original maturity more than 3 months	957.87	699.95
(b) In earmarked accounts		
- Unpaid dividend accounts	52.54	26.85
- Balances held as margin money or security against borrowings, guarantees and Other commitments	9.02	28.86
- Other earmarked accounts (Refer Note (i) below)	47.63	151.63
Total - Other bank balances (B)	1,067.06	907.29
Total cash and cash equivalents (A+B)	15,229.58	15,150.39

Note: Balance with banks-other earmarked accounts Include deposits ₹ 10.86 Lacs (Previous Year ₹ 10.86 Lacs) over which Banks and Clients have lien and ₹ 36.77 Lacs (Previous year ₹ 140.77 Lacs) placed as Earnest Money Deposit with various authorities.

20. Short-term loans and advances (Unsecured, considered good)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Loans and advances to related parties (Refer Note 35)		
To Joint Venture / Associate	601.74	729.88
(b) Security deposits	749.69	1,395.55
(c) Loans and advances to employees	202.77	277.51
(d) Prepaid expenses	2,703.40	3,018.99
(e) Balances with government authorities		
(i) VAT credit receivable	1,049.13	2,600.45
(ii) Service Tax credit receivable	790.75	282.34
(iii) Other Deposits	2.52	2.52
	1,842.40	2,885.31
(f) Others - Advance to vendors and others	10,385.60	9,451.65
Total	16,485.60	17,758.89

21. Other current assets

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Accruals		
(i) Interest accrued on deposits	5.85	9.14
(b) Interest on trade receivables as per arbitration awards	13,798.23	10,546.10
(c) Receivable under foreign currency contracts	1,575.96	1,251.95
(d) Others		
(i) Insurance claims	677.23	911.01
(ii) Duty Credit receivable	1,905.89	1,426.03
(iii) Other Receivables from Joint ventures (Refer Note 35)	378.70	1,608.43
Total	18,341.86	15,752.66

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

22. Revenue from operations

Particulars		For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(a)	Sale of products (Refer Note (i) below)	149.32	81.85
(b)	Sale of services (Refer Note (ii) below)	439,953.79	388,518.12
(c)	Other operating revenues (Refer Note (iii) below)	5,775.40	4,449.62
Total		445,878.51	393,049.59

Note	Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(i)	Sale of products comprises:		
	Construction Materials	149.32	81.85
	Total - Sale of products	149.32	81.85
(ii)	Sale of services comprises :		
	Construction Revenue	454,669.03	394,747.55
	Less : Value added tax	14,715.24	6,229.43
	Total - Sale of services	439,953.79	388,518.12
(iii)	Other operating revenues comprises:		
	Sale of scrap	1,373.17	1,926.31
	Duty Scrip credit availed	2,632.68	-
	Equipment hire charges	254.46	123.13
	Consultancy Service Charges	651.72	160.00
	Deemed Export Benefit	-	2,218.26
	Others	863.37	21.92
	Total - Other operating revenues	5,775.40	4,449.62

23. Other income

Particulars		For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(a)	Interest income (Refer Note (i) below)	9,755.96	8,528.27
(b)	Dividend income:		
	From non trade, non current investments	162.00	300.00
(c)	Other non operating income (Refer Note (ii) below)	3,448.44	5,145.93
Total		13,366.40	13,974.20

Note	Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
		₹ in Lacs	₹ in Lacs
(i)	Interest income comprises:		
	Interest from banks deposits	203.72	34.44
	Interest on loans and advances	446.72	988.66
	Interest on Arbitration awards (net)	8,957.75	7,503.29
	Interest income from long term investments	1.04	0.87
	Interest on income tax refund	146.71	0.54
	Other interest	0.02	0.47
	Total - Interest income	9,755.96	8,528.27
(ii)	Other non operating income comprises:		
	Provision for doubtful debtors / advances no longer required written back	320.03	-
	Creditors / Excess provision written back	775.26	1,094.48
	Insurance Claim received	1,509.58	1,027.93
	Net Gain on foreign currency transactions and translation	-	1,798.33
	Provision for Projected Loss written back	497.00	444.41
	Miscellaneous income	346.57	780.78
	Total - Other non-operating income	3,448.44	5,145.93

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

24. Cost of construction

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Cost of Construction Materials consumed (Including Bought out Items)	129,732.77	78,218.00
Other Construction Expenses:		
Consumption of stores and spare parts	36,286.74	29,286.84
Subcontracting expenses	103,493.36	124,026.90
(Including lease payment for equipments hired) (Refer Note 36)		
Site Installation	3,440.69	3,132.70
Technical Consultancy	5,693.50	7,830.67
Power and fuel	16,868.61	15,259.34
Freight and forwarding	10,075.15	8,660.78
	175,858.05	188,197.23
Total	305,590.82	266,415.23

25. Employee benefits expense

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Salaries and wages	47,405.47	47,032.12
Contributions to provident and other funds	3,071.98	3,076.38
Staff welfare expenses	2,197.32	2,803.52
Total	52,674.77	52,912.02

26. Finance costs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(a) Interest expense on:		
(i) Borrowings and Advances	24,589.50	19,185.59
(ii) Delayed / deferred payment of income tax	149.87	18.60
(b) Other borrowing costs:		
(i) Bank Guarantee Commission including Bank Charges	2,183.22	1,735.03
(ii) L/c charges & Processing Fees	176.95	369.62
Total	27,099.54	21,308.84

27. Other expenses

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Water and Electricity	639.14	623.64
Rent (Refer Note 36)	5,609.22	4,849.61
Repairs and maintenance - Buildings	1.71	88.48
Repairs and maintenance - Machinery	1,899.29	1,719.96
Repairs and maintenance - Others	733.20	762.31
Insurance	3,325.73	3,209.79
Rates and taxes	12,617.69	4,020.61
Communication	530.82	607.40
Travelling and conveyance	5,183.97	6,178.32
Security Charges	2,426.29	2,258.38
Donations and contributions	120.18	308.24
Expenditure on Corporate Social Responsibility (Refer Note 43)	18.79	28.74
Legal and professional	5,695.74	15,577.53
Payments to auditors (Refer note below)	115.03	109.82
Bad / Irrecoverable Debtors / Unbilled Revenue written off	888.69	1.33
Duty Scrip Written off	25.39	-
Advances written off	-	1.48
Net loss on foreign currency transactions and translation (Net)	1,582.98	-
Directors Fees	17.25	8.60
Provision for projected loss on contract	446.03	497.00
Loss on sale of fixed assets	429.35	77.57
Share of Loss from partnership firm / Joint Venture	20.87	-
Expenses of jobs completed in earlier year	-	29.79
Hedging Expenses	559.61	1,047.99
Miscellaneous expenses	4,135.95	2,619.12
Total	47,022.92	44,625.71

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

27. Other expenses (Continued)

Note:

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
<u>Payments to the auditors comprises *</u>		
(a) To statutory auditors		
As auditors - statutory audit	70.50	62.73
For taxation matters	10.01	15.17
For other services	17.43	20.40
Reimbursement of expenses	1.20	0.66
For Service tax	14.17	10.29
	113.31	109.25
(b) To cost auditors for cost audit		
As auditors	1.50	0.50
Reimbursement of expenses	0.01	0.01
For Service tax	0.21	0.06
	1.72	0.57
Total (a + b)	115.03	109.82

*excludes payment of ₹ 25.19 Lacs (Previous Year ₹ 29.68 Lacs) for taxation matters to an affiliated firm / company of one of the joint auditors covered by a networking arrangement which is registered with the institute of Chartered Accountants of India.

28. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts		
i) Differences with sub-contractors in regard to rates and quantity of materials.	7,188.72	7,396.31
(b) Claims against the Joint Venture not acknowledged as debts		
i) Differences with sub-contractors / clients in regard to scope of work. The above claim is not accepted by the Joint Venture and is contested by the Subcontractor / client. The Management is confident that the claim will be successfully contested.	12,431.11	11,693.87
(c) Guarantees		
i) Bank Guarantees given on behalf of Subsidiaries and Joint Ventures and counter guaranteed by the Company.	137,992.50	130,338.15
ii) Labour Guarantees	54.12	50.94
(d) Sales Tax and Entry Tax Represents demands raised by Sales Tax Authorities in matters of a) disallowance of labour and service charges, consumables etc. b) Tax on AS7 Turnover c) Entry tax and d) Interest and Penalty etc. for which appeal is pending before various appellate authorities. The Company is confident that the cases will be successfully contested.	586.99	639.66
(e) Excise Duty Represents demands raised by Central Excise Department for Excisability of girders. The Company is confident that the cases will be successfully contested.	206.43	171.94
(f) Service Tax Represents demand confirmed by the CESTAT / Asst. Commissioner of Service Tax for a) disallowance of Cenvat Credit, since abatement claimed by the Company b) disallowance of general exemption of private Transport terminals and c) taxability under "Commercial or Industrial Construction Service", etc. The Company has appealed / in the process of appeal against the said order with Commissioner of Service Tax Mumbai, CESTAT / High Court and is confident that the cases will be successfully contested. The company has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	12,516.39	11,558.87
Note:- In respect of items mentioned under Paragraphs (a), (b), (d), (e) and (f) above, till the matters are finally decided, the financial effect cannot be ascertained.		
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,513.45	4,160.99

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

29. The Company had raised aggregate sum of ₹ 300 crores vide issue of ₹ 100 crores Unsecured Unlisted Non- Convertible Debentures (NCDs) to a Bank on a private placement basis in each of the financial year 2012-13, 2014-15 and 2015-16 respectively. The NCDs issued, during the financial year 2012-13 and 2014-15 respectively, to the Banks have subsequently been transferred in favour of Mutual Funds which are in accordance with the provisions of Section 111A of the Companies Act, 1956 / Section 58 (2) of the Companies Act, 2013. The Company has obtained and placed reliance on legal opinion to the effect that the provisions of Section 58A of the Companies Act, 1956/ Section 73 of the Companies Act, 2013 read together with the Companies Acceptance of Deposit Rules, 1975 / Companies (Acceptance of Deposit Rules), 2014 are not attracted to the NCDs, for aforesaid amount.

30. Details on derivative instruments and unhedged foreign currency exposures

(A) Details of derivative instruments

The company has entered into the following derivative instruments:

- (a) Forward Exchange Contracts / Options [being a derivative instrument], which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

The following are the Forward Exchange Contracts entered into by the company as on 31st March, 2016 (Previous Year USD 27,888,120 ₹ in lacs 17,393.54)

Currency	Amount	Buy/Sell	Cross Currency	₹ in Lacs
US Dollar	13,888,120	Buy	Rupees	9,200.88

- (b) Interest Rate Swaps to hedge against fluctuations in interest rate changes:

No. of contracts:	2	₹ in Lacs
Notional Principal	US\$ 12,000,000	7,950.00
Previous year	US\$ 26,000,000	16,215.94

(B) Details of unhedged foreign currency exposures

Borrowings taken in foreign currency as at the balance sheet date not covered by forward contracts are **USD 15,991,488 and EURO 468,000** equivalent to ₹ **10,594.36 Lacs** and ₹ **352.85 Lacs** respectively (as on 31st March, 2015 USD 14,250,000 equivalent to ₹ 8,887.58 Lacs and Euro 1,803,017 equivalent to ₹ 1,207.74 lacs).

The above amounts do not include packing credit finance and overdraft facilities drawn by overseas branches from banks in local currencies which are to be repaid out of proceeds from project billing in the said local currencies and accordingly no foreign exchange exposure is anticipated on such borrowings.

Payables and Receivables in foreign currency as at the balance sheet date not covered by forward contracts are ₹ **81,406.47 Lacs** (as at 31st March, 2015 ₹ 91,647.85 Lacs) and ₹ **64,531.29 Lacs** (as at 31st March, 2015 ₹ 59,089.45 Lacs) respectively.

31. Expenses capitalized during the year on fabrication / improvement of equipment that has resulted in increased future benefits beyond their previously assessed standard of performance are as under :

	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Construction materials consumed	98.18	74.92
Stores and spares consumed	285.24	58.90
Repairs	172.11	76.38
Others	-	21.00
Total	555.53	231.20

32. Disclosure in accordance with Accounting Standard - 7 (Revised)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Details of contract revenue and costs		
a) Contract Revenue	439,953.79	388,518.12
b) Disclosure for contracts in progress:		
(i) Aggregate amount of costs incurred	1,409,211.20	1,312,122.92
(ii) Recognized profits (less recognized losses)	120,027.75	120,552.07
(iii) Advances Received	133,550.38	136,176.08
(iv) Retention Money	16,224.20	15,207.58
c) Gross amount due from customers for contract work	253,019.35	249,426.60
d) Gross amount due to customers for contract work	4,674.61	150.73

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

33. The company has accounted liability for gratuity and compensated absences as per the Accounting Standard (AS- 15 Revised) on "Employee Benefits". Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity and long term compensated absences is given below:

a) Gratuity (Funded)

A. Assumptions	Current Year	31st March, 2015
Discount Rate	8.04%	7.96%
Rate of Return on Plan Assets	8.04%	7.96%
Salary Escalation	6.00%	4.50%
Attrition Rate	2.00% & 6.00%	2.00%
Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

B. Changes in the Defined Benefit Obligation	Current Year	31st March, 2015
Liability at the Beginning of the current year	1739.82	1407.21
Interest Cost	138.49	130.50
Current Service Cost	159.77	117.11
Past Service Cost	-	-
Benefit Paid	(242.99)	(160.27)
Actuarial Loss/ (Gain) on obligations	281.63	245.27
Liability at the end of the current year	2,076.72	1,739.82

C. Fair Value of the Plan Asset	Current Year	31st March, 2015
Fair Value of Plan Asset at the beginning of the year	1071.40	988.20
Expected Return on Plan Asset	85.28	85.98
Contributions	149.58	154.67
Benefit paid	(242.99)	(160.27)
Actuarial Gain/ (Loss) on Plan Assets	(5.46)	2.82
Fair value of Plan Assets at the end of the year	1057.81	1071.40
Total Actuarial Loss to be Recognized	(287.09)	(242.45)

D. Actual Return on Plan Assets:	Current Year	31st March, 2015
Expected Return on Plan Assets	85.28	85.98
Actuarial Gain/ (Loss) on Plan Assets	(5.46)	2.82
Actual Return on Plan Assets	79.82	88.80

E. Amount Recognized in the Balance Sheet:	Current Year	31st March, 2015
Liability at the end of the year	2076.72	1739.82
Fair Value of Plan Assets at the end of the year	1057.81	1071.40
Unrecognized Past Service Cost	-	-
Amount recognized in the Balance Sheet	(1018.91)	(668.42)

F. Expense Recognized in the Profit and Loss Account:	Current Year	31st March, 2015
Current Service Cost	159.77	117.11
Interest Cost	138.49	130.50
Expected Return on Plan Assets	(85.28)	(85.98)
Past Service Cost	-	-
Net Actuarial (Gain) / Loss to be recognized	287.09	242.45
Expense recognized in the Profit and Loss Account under staff expenses	500.07	404.08

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

G. Reconciliation of the Liability recognized in the Balance Sheet:	Current Year	31st March, 2015
Opening Net Liability	668.42	419.01
Expense recognized	500.07	404.08
Employers Contribution	(149.58)	(154.67)
Amount recognized in the Balance Sheet under "Provision for Gratuity"	1018.91	668.42

H. Major category of plan assets as percentage of total plan assets:	Current Year	31st March, 2015
	(%)	(%)
Insured Managed funds	100	100

(b) Compensated Absences (Non funded) :

Actuarial Assumptions	Current Year	31st March, 2015
Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Discount Rate	8.04%	7.96%
Salary Escalation	6.00%	4.50%
Withdrawal Rate	2.00% & 6.00%	2.00%

Experience adjustments

Gratuity	2015-16	2014-2015	2013-2014	2012-2013	2011- 2012
Present value of DBO	2076.72	1739.82	1407.21	1393.40	1235.05
Fair value of plan assets	1057.81	1071.40	988.20	1006.03	964.20
Funded status [Surplus / (Deficit)]	(1018.91)	(668.42)	(419.01)	(387.37)	(270.85)
Experience gain / (loss) adjustments on plan liabilities	79.97	(92.77)	(108.39)	(140.29)	(107.95)
Experience gain / (loss) adjustments on plan assets	(5.46)	2.82	(2.69)	5.79	14.57

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ **1,494.45 Lacs** (Year ended 31st March, 2015 ₹ 1,573.77 Lacs) for Provident Fund contributions and ₹ **772.42 Lacs** (Year ended 31st March, 2015 ₹ 742.06 Lacs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Notes :

- Premium is paid to LIC under Group Gratuity Scheme of LIC.
- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by the actuary and relied upon by the Auditors.
- Contributions expected to be paid to the plan during the annual period beginning after the Balance Sheet date is ₹ **507.45 Lacs** (Previous year ₹ 476.55 Lacs).
- The expected return on plan assets is determined considering several applicable factors which includes mainly the composition of plan assets held, assessed risks of asset management and historical result of the return on plan asset.

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

34. Segment information :

a) Segment information for Primary reporting (by business segment)

The company has only one reportable business segment of construction business, hence information for primary business segment is not given.

b) Segment information for Secondary segment reporting (by geographical segment).

The Company has two reportable geographical segments based on location of customers.

- (i) Revenue from customers within India - Local projects
- (ii) Revenue from customers outside India - Foreign projects

Secondary : Geographical (Location of customers)

(₹ in Lacs)

Particulars	Local Projects	Foreign Projects	Total
Income from operation	365,409.61 (299,510.28)	80,468.90 (93,539.31)	445,878.51 (393,049.59)
Carrying amount of asset (Excluding Goodwill on Consolidation, Taxes on Income and Investment)	491,443.92 (448,566.13)	78,447.26 (60,062.30)	569,891.18 (508,628.43)
Additions to Fixed Assets (Including Capital Work In Progress)	19,838.25 (18,329.77)	487.33 (1,706.98)	20,325.58 (20,036.75)

Figures in parenthesis are those of previous year.

35. Related party disclosures as per Accounting Standard 18 on "Related Party Disclosures"

(a) Details of related parties:

Related Party where Control exists

Holding Company

Shapoorji Pallonji & Co. Pvt. Ltd.

Fellow Subsidiary(s)

Floreast Investments Limited
Hermes Commerce Limited
Renaissance Commerce Private Limited
SP Jammu Udhampur Highway Private Limited
Forvol International Services Limited
Armada C-7 Pte Ltd.
Shapoorji AECOS Construction Pvt. Ltd.
Forbes & Company Ltd.
Shapoorji & Pallonji Qatar, WLL
Eureka Forbes Ltd.
Armada Madura EPC Limited
Sterling & Wilson Pvt.Ltd.
Shapoorji Pallonji Rural Solutions Pvt.Ltd.
Forbes Facility Services Pvt.Ltd.

Associate of the Company

Afcons (Mideast) Constructions and Investments Private Limited

Jointly Controlled Entities

Strabag AG Afcons Joint Venture
Saipem Afcons Joint Venture
Ircan Afcons Joint Venture
Afcons Sener LNG Construction Projects Pvt.Ltd.

Key Management Personnel

Mr. S. P. Mistry – Chairman
Mr. K. Subrahmanian – Vice Chairman & Managing Director
Mr. S. Paramasivan – Deputy Managing Director

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

(b) Details of transactions with related parties for the period 01/04/2015 to 31/03/2016

(₹ in Lacs)

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Joint Venture(s)		Associate Company		Key Management Personnel		Total	
	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15
<u>Managerial Remuneration paid</u>												
K.Subrahmanian									183.00	176.00	183.00	176.00
S.Paramasivan									142.00	136.50	142.00	136.50
<u>Sitting Fees paid</u>												
S.P.Mistry									1.45	0.60	1.45	0.60
<u>Dividend on Preference Shares</u>												
Floreat Investments Limited			1.00	1.00							1.00	1.00
Shapoorji Pallonji & Co. Pvt. Ltd.	1.00	1.00									1.00	1.00
<u>Interim Dividend on Equity Shares</u>												
Shapoorji Pallonji & Co. Pvt. Ltd.	1,470.79	735.11									1,470.79	735.11
Floreat Investments Limited			390.48	195.24							390.48	195.24
Hermes Commerce Limited			120.49	60.24							120.49	60.24
Renaissance Commerce Pvt. Ltd.			120.49	60.24							120.49	60.24
K.Subrahmanian									1.75	0.87	1.75	0.87
S.Paramasivan									0.79	0.39	0.79	0.39
<u>Income from Consultancy Services</u>												
Shapoorji AECOS Construction Pvt. Ltd.			-	160.00							-	160.00
Shapoorji Pallonji & Co. Pvt. Ltd.	150.00	-									150.00	-
<u>Overhead Charges Recovered</u>												
Strabag-AG Afcons Joint Venture					282.12	597.23					282.12	597.23
<u>Subcontract Income</u>												
SP Jammu Udhampur Highway Pvt. Ltd.			1,197.17	12,382.52							1,197.17	12,382.52
<u>Income from Equipment Hire</u>												
SP Jammu Udhampur Highway Pvt. Ltd.			-	56.77							-	56.77
Ircon-Afcons Joint Venture					180.85	52.68					180.85	52.68
Strabag-AG Afcons Joint Venture					66.36	3.30					66.36	3.30
<u>Interest Income</u>												
Ircon-Afcons Joint Venture					24.13	14.83					24.13	14.83
Afcons Sener LNG Construction Projects Pvt.Ltd.					5.25	-					5.25	-
<u>Sale of Spares/Materials/Assets</u>												
Shapoorji Pallonji & Co. Pvt. Ltd.	143.63	34.55									143.63	34.55
<u>Advance Given</u>												
Ircon-Afcons Joint Venture					968.74	959.83					968.74	959.83
Strabag-AG Afcons Joint Venture					-	261.00					-	261.00
Shapoorji Pallonji Qatar WLL			-	2,050.84							-	2,050.84
Afcons Sener LNG Construction Projects Pvt.Ltd.					102.18	-					102.18	-
Afcons (Mideast) Constructions and Investments Pvt.Ltd.							1.53	-			1.53	-
<u>Advance Received back</u>												
Ircon-Afcons Joint Venture					(1,217.18)	(959.83)					(1,217.18)	(959.83)
Shapoorji Pallonji Qatar WLL			(1,792.74)	(332.67)							(1,792.74)	(332.67)
Afcons (Mideast) Constructions and Investments Pvt.Ltd.							(1.53)	-			(1.53)	-
<u>Purchase of Material</u>												
Eureka Forbes Ltd.			21.33	19.50							21.33	19.50
Shapoorji Pallonji Rural Solutions Pvt.Ltd.			19.56	-							19.56	-
Sterling and Wilson Pvt.Ltd.			62.15	-							62.15	-
<u>Expenses incurred by/(on behalf of) Afcons</u>												
Strabag-AG Afcons Joint Venture					271.72	202.43					271.72	202.43
Ircon-Afcons Joint Venture					-	223.79					-	223.79
Afcons Sener LNG Construction Projects Pvt.Ltd.					0.56	-					0.56	-
Armada C-7 Pte Ltd.			-	42.51							-	42.51
Armada Madura EPC Limited			19.41	-							19.41	-

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

(b) Details of transactions with related parties for the period 01/04/2015 to 31/03/2016

(₹ in Lacs)

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Joint Venture(s)		Associate Company		Key Management Personnel		Total	
	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15	CY	PY 14-15
Civil and Interior Works												
Shapoorji Pallonji & Co. Pvt. Ltd.	288.31	88.06									288.31	88.06
Legal & professional Fees (Strategic Support Service)												
Shapoorji Pallonji & Co. Pvt. Ltd.	1,285.61	-									1,285.61	-
Rent Expenses												
Forbes & Company Limited			59.40	45.08							59.40	45.08
Service Charges Paid												
Shapoorji Pallonji & Co. Pvt. Ltd.	23.93	13.24									23.93	13.24
Housekeeping Services Paid												
Forbes Facility Services Pvt.Ltd.			95.14	-							95.14	-
Interest expense												
Afcons (Mideast) Constructions and Investments Pvt.Ltd.							-	1.95			-	1.95
Travelling Expense												
Forvol International Service Ltd			612.17	810.23							612.17	810.23
Subcontract Expense												
Shapoorji Pallonji Qatar WLL			11,687.31	2,734.18							11,687.31	2,734.18
Guarantees Given for/ (Released)												
Strabag-AG Afcons Joint Venture					-	(685.91)					-	(685.91)
Afcons Sener LNG Construction Projects Pvt.Ltd.					(1,528.04)	1,283.04					(1,528.04)	1,283.04
Ircon-Afcons Joint Venture					(1,046.48)	1,046.48					(1,046.48)	1,046.48
Outstanding amount of guarantee given/ (taken)												
Strabag-AG Afcons Joint Venture					16,573.00	16,730.15					16,573.00	16,730.15
Afcons Sener LNG Construction Projects Pvt.Ltd.					-	1,528.04					-	1,528.04
Ircon-Afcons Joint Venture					-	1,046.48					-	1,046.48
Outstanding Amount Loans & Advances Dr/ (Cr)												
Strabag-AG Afcons Joint Venture					262.53	262.53					262.53	262.53
Saipem-Afcons Joint Venture					30.02	38.91					30.02	38.91
Ircon-Afcons Joint Venture					26.70	253.42					26.70	253.42
Afcons Sener LNG Construction Projects Pvt.Ltd.					107.47	-					107.47	-
Shapoorji Pallonji & Co. Pvt. Ltd.	(1,142.31)	45.49									(1,142.31)	45.49
Shapoorji Pallonji Qatar WLL			-	1,718.17							-	1,718.17
Other Receivables												
Strabag-AG Afcons Joint Venture					545.38	1,714.66					545.38	1,714.66
Outstanding Amount Debtors												
Shapoorji Pallonji & Co. Pvt. Ltd.	184.18	5.91									184.18	5.91
SP Jammu Udhampur Highway Pvt. Ltd			-	20.84							-	20.84
Ircon-Afcons Joint Venture					4.17	51.62					4.17	51.62
Strabag-AG Afcons Joint Venture					71.05	3.37					71.05	3.37
Armada C-7 Pte Ltd.			-	42.51							-	42.51
Shapoorji AECOS Construction Pvt. Ltd.			-	163.78							-	163.78
Outstanding Amount Creditors												
Forvol International Service Ltd			184.55	140.00							184.55	140.00
Shapoorji Pallonji Qatar WLL			4,945.10	777.61							4,945.10	777.61
Shapoorji Pallonji & Co. Pvt. Ltd.	1,208.95	-									1,208.95	-
Eureka Forbes Ltd.			7.15	-							7.15	-
Forbes & Company Limited			4.26	-							4.26	-
Sterling and Wilson Pvt.Ltd .			12.39	-							12.39	-
Shapoorji Pallonji Rural Solutions Pvt Ltd			13.56	-							13.56	-
Forbes Facility Services Pvt.Ltd.			40.14	-							40.14	-

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

36. Details of Leasing Arrangements

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
<u>As Lessor</u>		
(i) The company has let out one of the premises and equipments under operating lease. The lease is cancellable and is renewable by mutual consent on mutually agreeable terms.		
(ii) The lease income of equipments recognised in the Statement of Profit and Loss under 'Other Operating Income' in Note 22	254.46	123.13
<u>As Lessee</u>		
(i) The company has taken various offices, residential & godown premises, land and equipments under operating lease or leave and licence agreements. These are generally cancellable and range between 11 months and 3 years under leave and licence agreement and are renewable by mutual consent on mutually agreeable terms.		
(ii) Lease payments recognised for residential and other properties in the Statement of Profit and Loss under 'Rent' in Note 27	5,609.22	4,849.61
(iii) Lease payments for equipments are recognised in the Statement of Profit and Loss under 'Subcontracting Expenses' in Note 24.	17,440.26	16,803.57

37. Earnings per share (EPS)

(EPS) is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹ in Lacs	₹ in Lacs
Profit after tax and minority interest	7,618.87	5,290.24
Less: Dividend on 0.01% Convertible Non Cumulative Non Participatory Preference shares (including dividend tax)	5.42	5.42
Profit for the year attributable to equity shareholders	7,613.45	5,284.82
Weighted average number of shares outstanding during the year	Numbers	Numbers
For basic EPS	71,970,238	71,970,238
For diluted EPS (refer note below)	340,738,268	340,738,268
Earnings per share	₹	₹
Basic	10.58	7.34
Diluted	2.23	1.55
Nominal value per share in Rupees	10.00	10.00
Note		
Weighted average number of shares outstanding during the year- for Diluted EPS:	Numbers	Numbers
Weighted average number of shares outstanding during the year – for calculating basic EPS (numbers)	71,970,238	71,970,238
Add: Potential equity shares that could arise on conversion of 0.01%.Fully and Compulsorily convertible Non-cumulative, Non Participatory Preference shares at ₹ 10 each {Refer Note 3(iii b)}	246,540,258	246,540,258
Add: Potential equity shares that could arise on conversion of 0.01% Non-cumulative, Non-Participatory Convertible Preference shares at ₹ 68.25. {Refer Note 3(ii b)}	14,652,014	14,652,014
Add: Potential equity shares that could arise on conversion of 0.01%.Fully and Compulsorily convertible Non-cumulative, Non Participatory Preference shares at ₹ 10 each {Refer Note 3(iv b)}	7,575,758	7,575,758
	340,738,268	340,738,268

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

38. Disclosures on Employee share based payments

Employee Stock Option Plan.

On 22nd December, 2006, the Company has granted 721,150 Stock options to its eligible employees at a price of ₹ 17/- per option in terms of Employees Stock Option Scheme 2006 of the Company as approved by the Share holders at the Extra Ordinary General meeting held on 22nd December, 2006.

a) The particulars of the Options distributed under ESOP 2006 are as follows:

Particulars	ESOP 2006
Eligibility	Employees and Directors of the Company and its subsidiaries and its holding Company.
Vesting period for options granted during the year	Not less than One year and not more than Five years from the date of grant.
Exercise Period	Three years beginning from date of vesting
Method of Settlement	Equity Shares
Exercise Price	The Exercise price shall be equal to the fair market value of the shares as determined by the independent valuer.
No. of Options Granted	721,150

(b) The particulars of number of options granted, exercised and lapsed and the Price of Stock Options for ESOP 2006 are as follows:

Particulars	Current year	As at 31 st March, 2015
	Quantity	Quantity
Authorised to be Granted	1,785,000	1,785,000
Granted and Outstanding at the beginning of the year	Nil	Nil
Granted during the year	Nil	Nil
Forfeited during the year	Nil	Nil
Exercised during the year	Nil	Nil
Lapsed during the year	Nil	Nil
Granted and outstanding at the end of the year	Nil	Nil
Fair value of the ESOP on the date of Grant	₹ 9.41	₹ 9.41

c) The Company has followed the intrinsic value-based method of accounting for stock options granted based on Guidance Note on Accounting on Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The exercise price of the option granted is based on the fair value of the Company's share as on the date of the Grant. The Fair Value of the Share has been calculated by an independent valuer by applying Rule 1D of the Wealth Tax Rules, 1957. As the exercise price of the option granted is based on the fair value as on the date of the Grant, the intrinsic value of the option is NIL.

Fair value of Options calculated by external valuer using Black Scholes Model is lower than the exercise price and hence the options are considered to be anti-dilutive in nature and the effect of this is ignored in calculating diluted earnings per share in accordance with Accounting Standard 20 viz. Earnings Per Share issued by Chartered Accountants of India.

d) The Method and significant assumptions used to estimate the Fair Value of the Options are as under:

The Fair value of Options has been calculated by an independent valuer. The valuation has been done using the Black-Scholes model based on the assumptions given by the management, which are as under:

(i) Expected Life of the Options:

These stock options will vest in the following proportion from the date of grant and can be exercised during a period of four years from the date of vesting.

Year 1 from the date of Grant - 20% of the Options Granted;

Year 2 from the date of Grant - 25% of the Options Granted;

Year 3 from the date of Grant - 25% of the Options Granted;

Year 4 from the date of Grant - 30% of the Options Granted

(ii) Risk free interest rate:

This rate has been assumed at 8%.

(iii) Share price:

Share price of ₹ 17/- is treated as fair value as on 22nd December, 2006 the date of grant.

(iv) Volatility:

Volatility is calculated based on historical volatility in the stock of similar comparable companies over the previous 4 years at 0.63.

(v) Expected dividend yield: Nil

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

39 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in Lacs)

Particulars				
Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent : Afcons Infrastructure Ltd.	12.99%	15,873.96	161.38%	12,295.12
Subsidiaries :				
Indian:				
1) Hazarat & Company Pvt.Ltd.	0.02%	20.30	0.00%	0.38
2) Afcons Corrosion Protection Pvt.Ltd.	0.12%	151.32	-0.12%	(8.91)
3) Afcons Offshore and Marine Services Pvt.Ltd.	0.09%	108.76	0.02%	1.15
Foreign:				
1) Afcons Construction Mideast LLC	1.28%	1,567.46	-9.18%	(699.25)
2) Afcons Infrastructure Kuwait for Building, Road and Marine Contracting WLL	0.34%	415.65	2.40%	182.52
3) Afcons Overseas Construction LLC	0.00%	(5.10)	0.18%	13.89
4) Afcons Gulf International Project Services FZE	0.18%	215.07	0.15%	11.30
5) Afcons Mauritius Infrastructure Ltd.	0.58%	707.13	0.04%	2.92
6) Afcons Overseas Singapore Pte Ltd.	3.61%	4,414.07	-0.47%	(35.51)
7) Afcons Infra Projects Kazakhstan, LLP	0.06%	69.37	-7.30%	(556.18)
8) Afcons Gunanusa Joint Venture	11.49%	14,038.95	-4.78%	(363.86)
9) Transtonnelstroy Afcons Joint Venture	65.00%	79,420.54	-49.38%	(3,762.40)
10) Dahej Standby Jetty Project Undertaking	1.51%	1,844.25	-1.88%	(143.43)
11) Afcons Pauling Joint Venture	1.34%	1,636.51	0.00%	-
12) Afcons Saudi Const.LLC	0.07%	91.27	-0.15%	(11.25)
13) Afcon Overseas Project Gabon Sarl	-0.86%	(1,055.61)	0.00%	-
Minority Interests in all subsidiaries	0.25%	306.17	2.41%	183.86
Associate:				
Afcons (Mideast) Constructions and Investments Private Limited	0.00%	0.02	0.00%	0.00
Joint Ventures (as per proportionate consolidation) :				
Indian :				
1) Strabag AG Afcons Joint Venture	1.54%	1,879.51	1.98%	150.54
2) Afcons Sener LNG Construction Projects Pvt.Ltd.	0.07%	90.72	-0.17%	(13.02)
3) Ircon Afcons Joint Venture	0.30%	363.69	4.94%	376.08
Foreign:				
1) Saipem Afcons Joint Venture	0.02%	24.88	-0.07%	(5.08)
Total	100.00%	122,178.89	100.00%	7,618.87

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)



Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

40. The following are details of the investment in associate made by the Company. (₹ in Lacs)

Name of the Associate	Original Cost of the Investment	Amount of Capital Reserve	Accumulated Profit/ (Loss)	Carrying Amount of Investment as at 31 st March, 2016
Afcons (Mideast) Constructions and Investments Private Limited	# (-)	- (-)	0.11 (0.11)	0.11 (0.11)

Figures in parenthesis are those of the previous year.

denotes value less than ₹ one thousand

41. Following subsidiary of the Company has provided depreciation on all the fixed assets on written down value method, which is in variance to the method adopted by the Company. The value of such items is as under :

Name of the subsidiary	Gross Value of Fixed Assets
Afcons Corrosion Protection Private Limited	11.30 (77.39)

Figures in parenthesis are those of the previous year.

42. a) The Holding Company has been legally advised that interest free advances aggregating to ₹ 68,309.68 Lacs made towards financing the unincorporated joint ventures do not come under the purview of Section 186 of Companies Act, 2013 as the Company is in the business of constructing and developing infrastructure facilities.
- b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For Investments made refer to note no. 14.

43. Corporate Social Responsibility: (₹ in Lacs)

Gross amount required to be spent by the Holding Company during the year:	Nil		
Amount spent during the year:			
CSR activities	In Cash	Yet to be paid in Cash	Total
Promoting education	12.21	-	12.21
Rural development projects	6.58	-	6.58
Total	18.79	-	18.79

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

44. Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of the subsidiary / associate companies/ and the joint ventures.

Statement containing salient features of the financial statement of the subsidiary / associate companies/ and the joint ventures.																			(₹ in Lacs)	
Sr. No	Name of the Company	Country of Incorporation	Reporting Currency	Reporting Period	% of Share	Rate of Exchange	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Details of Investments (except in case of investment in subsidiaries)			Turnover (Incl. Other Income)	Profit/ (Loss) before Tax	Provision for Current & Deferred Tax	Profit/ (Loss) after Tax	Proposed Dividend		
											Shares	Mutual Funds	Total of Investment							
Part 'A "Subsidiaries																				
1	Hazarat & Company Private Limited	India	INR	1 st April 2015 31 st March 2016	100%	-	20.26	0.32	20.89	20.89	-	-	-	1.80	0.57	(0.19)	0.38	-		
2	Afcons Corrosion Protection Pvt. Limited	India	INR	1 st April 2015 31 st March 2016	100%	-	8.00	143.32	160.27	160.27	-	-	-	18.22	(7.42)	(1.49)	(8.91)	-		
3	Afcons Offshore and Marine Services Pvt. Limited	India	INR	1 st April 2015 31 st March 2016	100%	-	10.00	98.76	109.46	109.46	-	-	-	2.34	1.67	(0.52)	1.15	-		
4	Afcons Construction Mideast LLC	Dubai, UAE	AED	1 st Jan 2015 31 st Dec 2015	49%	18.0152	54.05	(380.35)	326.31	326.31	-	-	-	1,425.96	405.57	-	405.57	-		
5	Afcons Gulf International Projects Services FZE (100 % subsidiary of AMIL)	Fujairah	AED	1 st Jan 2015 31 st Dec 2015	100%	18.0152	180.15	1,306.53	1,486.68	1,486.68	-	-	-	13.65	(11.34)	-	(11.34)	-		
6	Afcons Infrastructure Kuwait for Building, Roads and Marine Contracting WLL	Kuwait	KWD	1 st Jan 2015 31 st Dec 2015	49%	218.3096	261.97	231.23	564.59	564.59	-	-	-	307.96	152.50	-	152.50	-		
7	Afcons Overseas Construction LLC	Qatar	QAR	1 st April 2015 31 st March 2016	49%	18.2086	36.42	(41.52)	-	-	-	-	-	63.71	13.69	-	13.69	-		
8	Afcons Mauritius Infrastructure Limited, Mauritius	Mauritius	EURO	1 st April 2015 31 st March 2016	100%	75.3955	829.35	47.96	881.37	881.37	-	-	-	15.83	2.93	-	2.93	-		
9	Afcons Overseas Singapore Pte Ltd.	Singapore	SGD	1 st April 2015 31 st March 2016	100%	49.15	24.82	4,652.54	7,958.17	7,958.17	-	-	-	9,172.86	(21.81)	-	(21.81)	-		
10	Afcons Infra Projects Kazakhstan LLP (Refer Note 4) (Step down subsidiary)	Kazakhstan	KZT	1 st April 2015 31 st March 2016	100%	0.1937	0.84	(1,642.22)	71.17	71.17	-	-	-	54.62	(558.48)	-	(558.48)	-		
11	Afcons Saudi Construction LLC (w.e.f. 02.06.2015)	Saudi Arabia	SAR	1 st April 2015 31 st March 2016	100%	17.6671	88.34	(11.38)	91.27	91.27	-	-	-	-	(11.25)	-	(11.25)	-		
12	Afcons Overseas Project Gabon SARL (Step down subsidiary) (w.e.f. 27.10.2015)	Gabon	XAF	1 st Jan 2015 31 st Dec 2015	100%	0.1102	1.10	(0.24)	6,917.16	6,917.16	-	-	-	131.85	-	-	-	-		

Note:

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil
- Indian rupee equivalent of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31st December 2015 / 31st March 2016.
- Afcons Overseas Singapore Pte. Ltd. has acquired a LLP (Medel LLP, Kazak) on 30th June, 2014 & subsequently the name of Medel LLP was changed to Afcons Infra Projects Kazakhstan LLP on 11th July, 2014 with the regulatory authorities.

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Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

Part "B" Associates and Joint Ventures

Name of Associates / Joint Ventures	Saipem Afcons Joint venture	Strabag Afcons Joint venture	Iron Afcons Joint Venture	Afcons Sener LNG Construction Projects Pvt.Ltd. (Refer Note 1)	Afcons Gunanusa Joint Venture (Refer Note 3)	Transtonneltroy Afcons Joint Venture (Refer Note 3)	Dahej Standby Jetty Project Undertaking (Refer Note 3)	Afcons (Mideast) Constructions & Investments Pvt.Ltd. Associate	Afcons Pauling Joint Venture (Refer Note 5)
	Unincorporated JV	Unincorporated JV	Unincorporated JV	Incorporated JV	Unincorporated JV	Unincorporated JV	Unincorporated JV	Associate	Partnership Firm
1 Latest audited Balance Sheet Date	31 st December, 2014	31 st March 2016	31 st March 2016	31 st March 2016	31 st March 2014	31 st March 2016	31 st March 2016	31 st March 2016	31 st March 2016
2 Shares of Associate / Joint ventures held by the company on the year end									
No.	-	-	-	4900	-	-	-	1	-
Amount of Investment in Associates / Joint venture	-	-	-	₹ 49,000	-	-	-	₹ 100	₹ 17,400,000
Extend of Holding %	50%	40%	47%	49%	80%	99%	100%	0.01%	95%
3 Description of how there is significant influence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Refer Note 4	N/A
4 Reason why the associate/ Joint venture is not consolidated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5 Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lacs)	(42.37)	1301.88	336.31	(12.53)	(1,753.92)	(2,893.67)	372.66	0.02	174.00
6 Profit / Loss for the year (₹ in Lacs)									
i. Considered in Consolidation	(10.15)	150.54	376.08	(13.02)	367.86	(3,887.36)	(143.44)	-	-
ii. Not considered in Consolidation	-	-	-	-	-	-	-	-	-

Note:

- Names of associates or joint ventures which are yet to commence operations - Afcons Sener LNG Construction Projects Pvt.Ltd.
- Names of associates or joint ventures which have been liquidated or sold during the year - Nil
- These entities are considered as subsidiaries in the Consolidated Financial Statements in terms AS-21, however the same are not considered as subsidiaries / associates/ joint venture company under Companies Act 2013.
- Afcons (Mideast) Constructions & Investments Pvt.Ltd. is considered as Associate in Consolidated Financial Statements based on significant influence as per AS-23. Under Companies Act 2013, the same is not an Associate Company.
- Afcons Pauling Joint Venture is considered as Subsidiary in Consolidated Financials Statements as per AS-21 however the same is a Partnership Firm and not considered as subsidiaries / associates/ joint venture company under Companies Act 2013.



CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2016

45. During the previous year, the Company has revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II.

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ Nil (As as 31st March, 2015 ₹ 340.48 Lacs (net of deferred tax of ₹ 179.40 Lacs)) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the Previous year is higher by ₹ 817.33 Lacs consequent to the change in the useful life of the assets.

46. The Design and Construction of the underground section from Howrah Station to the west end of the Central Station, to be carried out by the Transtonnelstroy Afcons Joint Venture at Kolkata in the state of West Bengal, has been at a stand still since the last 3 years following issues over the alignment of the railway tracks between the aforesaid 2 stations and the state not handing over land to the Joint Venture. Kolkata Metro Rail Corporation Limited (KMRCL) vide its letter dated 20th March, 2014 issued to the Joint Venture has granted an interim extension of time up to September 2016, for completion of the above project. Also, additional variation claims have been submitted to KMRCL, by the Joint Venture.

Further to the above, vide its interim order dated 25th September, 2014, the High Court of Kolkata, had ordered KMRCL to issue directions to the joint venture to commence work and to release payment within 7 days, and the notice of termination to the joint venture stood quashed. Additionally, the High Court vide its order dated 12th February, 2015, has reiterated that the final decision with regard to the realignment to be taken within 6 months i.e. by 1st August, 2015, and further the Joint Venture has also filed an interim civil application with the High Court on 8th June, 2015.

Based on the directives of the High Court and subsequent agreement by all concerned on realignment of the route, KMRCL has released past dues amounting to ₹ 52.02 Crores in September 15 and the construction activity had been resumed by the Joint Venture. In view of the above, the Supervisory Board does not anticipate any further loss to be recognised at this stage.

47. Afcons Gunanusa Joint Venture (AGJV) had submitted claims for Change orders aggregating to ₹ 847.41 crore to ONGC. AGJV has invoked arbitration in respect of the aforesaid change orders, as the same were not approved by Outside Expert Committee (OEC). Claims against change orders and counter claims by ONGC aggregating to ₹ 30.45 crore will be discussed in arbitration.
48. Chennai Metro Rail Limited (Client) awarded two contracts (UAA 01 and UAA 05) to Transtonnelstroy Afcons Joint Venture ("TAJV") in February 2011 for designing and construction of underground stations and associated tunnels. The original scheduled completion was April 2015 for UAA 01 and January 2015 for UAA 05. Due to unforeseen geological conditions and delays in handing over of land etc., these projects got delayed. Based on actual ground conditions and physical progress as of date, substantial completion of the contracts is now foreseen by around end of 2017 and 2016 respectively. TAJV has submitted variations to the Client and also invoked arbitration proceedings for speedy recovery of the same. The Supervisory Board of TAJV does not anticipate any further loss to be recognised at this stage.
49. During the previous year, all the projects being executed in Liberia were temporarily suspended by Client due to Ebola outbreak. A written suspension notice was issued by the client in February 2015. The carrying value of Assets and Liabilities in books of accounts are ₹ 33,695.13 Lacs and ₹ 21,737.73 Lacs respectively. The company has filed claim for settlement with the client and discussion are at an advance stage. No adjustment have been made to the carrying values of Assets and Liabilities in books of accounts, since management do not expect any material adjustment to the same.
50. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman

K.SUBRAHMANYAN
Vice Chairman &
Managing Director

S.PARAMASIVAN
Deputy Managing Director

P.N. KAPADIA
Director

N.D.KHURD
Director

R.M.PREMKUMAR
Director

Place: Mumbai
Date: 27th June, 2016

P.R. RAJENDRAN
Company Secretary

ASHOK G.DARAK
Chief Financial Officer



**Construction World Trophy
-Winner 2015 for Fastest
Growing Construction Company
(Large Catagory)**



**Construction Industry
Awards 2015**



**International Safety Award
Merit 2016**



**Reliance Industries Limited.
J3 Project Jamnagar.
Contractor Quality performance
Award Winner**



**Construction Week
India Awards 2015**



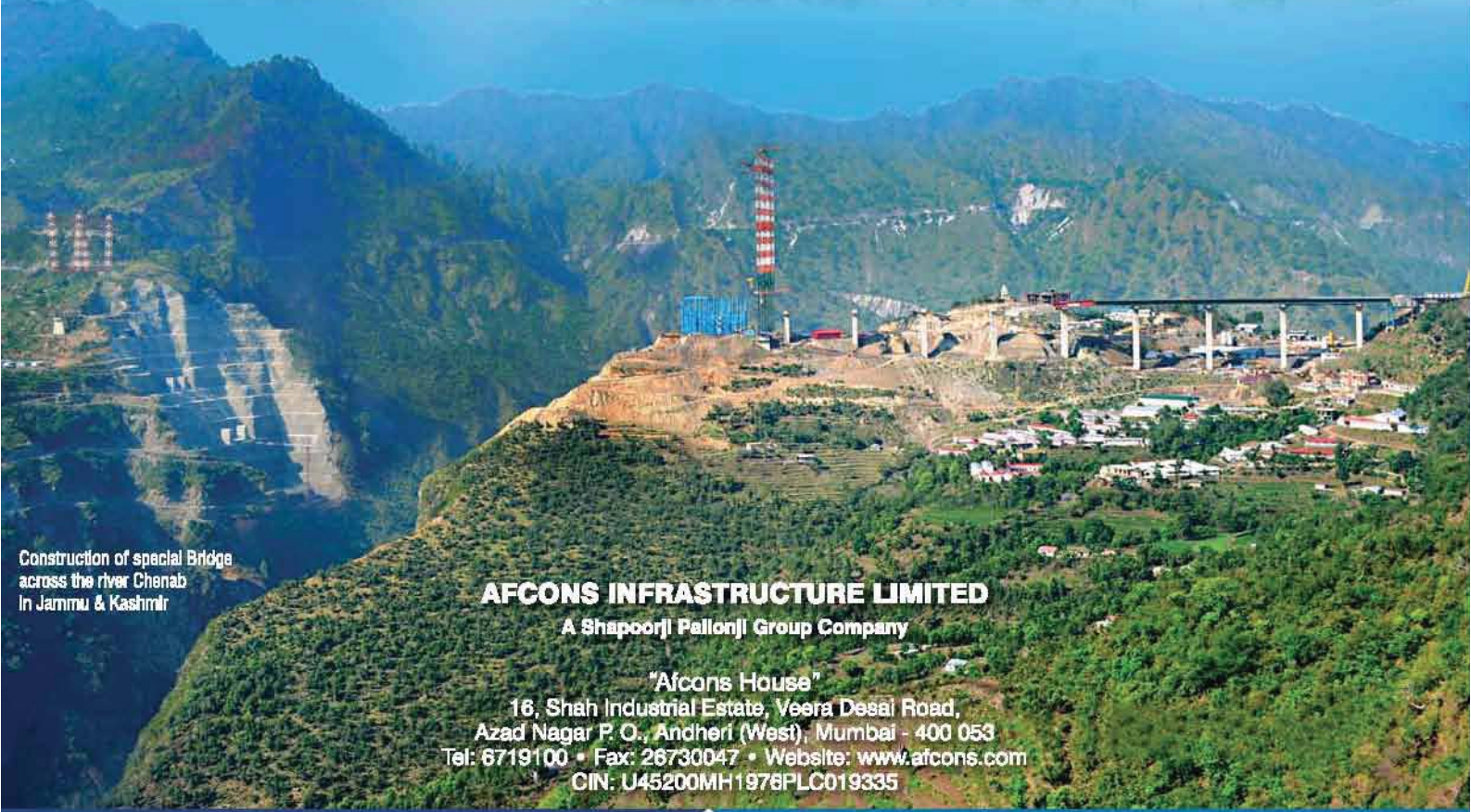
**Confederation of Indian Industry (CII)
award (western region)
- June 22, 2016**



**VCMD Mr. K. Subrahmanian
- Panellist for 'TN Global Investors
Meet' Seminar on
TN Vision 2023: Enabling Mega
Infrastructure Projects held on
10th September 2015 at Chennai.**



**Afcons' Deputy Managing Director
Mr. S Paramasivan was the sole Indian speaker
who addressed a gathering on behalf of the
Confederation of Indian Industry (CII), in Accra,
Ghana on June 13, 2016 in Presence of Hon'ble
President of India Shri Pranab Mukherjee**



Construction of special Bridge
across the river Chenab
In Jammu & Kashmir

AFCONS INFRASTRUCTURE LIMITED

A Shapoorji Pallonji Group Company

"Afcons House"

16, Shah Industrial Estate, Veera Desai Road,
Azad Nagar P. O., Andheri (West), Mumbai - 400 053

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