AFCONS

Shapoorji Pallonji

ANNUAL REPORT 2018-19

MISSION

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

Afcons was awarded the inaugural 'Most Innovative Knowledge Enterprise' (MIKE) Award (country level) at the CII Knowledge Summit 2019 held in Bangalore

AFCONS INFRASTRUCTURE LIMITED

BOARD OF DIRECTORS

S. P. Mistry - Chairman

K. Subramanian - Executive Vice Chairman

P. S. Mistry

N. D. Khurody

P. N. Kapadia

R. M. Premkumar

U. N. Khanna

R.M. Nentin (Ms.)

S. Paramasivan - Managing Director

Giridhar Rajagopalan - Executive Director (Technical)

Akhil Kumar Gupta - Executive Director (Operations)

AUDIT COMMITTEE MEMBERS

N. D. Khurody - Chairman

P. N. Kapadia

R. M. Premkumar

COMPANY SECRETARY

Gaurang Parekh

AUDITORS

M/s. Price Waterhouse Chartered Accountants L.L.P,
Chartered Accountant
(ICAI registration no. 012754N/N500016)
M/s. HDS & Associates LLP, Chartered Accountants,
(ICAI registration no. W100144)

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

Forty-Third Annual General Meeting on Thursday, 26th September, 2019 at 4.30 p.m. at “Afcons House”, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar P.O. Andheri (West), Mumbai- 400 053.

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

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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BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the Forty-Third Annual Report together with the Audited Financial statement for the year ended 31st March 2019.

1. FINANCIAL RESULTS

Particulars	Consolidated		Standalone	
	₹ In crores		₹ in crores	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
Total Income	8,875.68	6,687.73	7,935.29	5,953.07
Profit/(Loss) before Tax	319.26	244.14	209.86	208.85
Provision for Taxation	80.32	82.58	80.31	82.56
Excess/(short) provision for tax in respect of earlier years	4.50	-2.56	4.50	-2.56
Profit/(Loss) after Tax (before Minority Interest)	234.44	164.12	125.05	128.85
Minority Interest	5.66	9.49	-	-
Profit/ (Loss) for the year	240.10	173.61	125.05	128.85
Balance brought forward from previous years	1,091.05	966.70	923.90	844.73
Other items classified to other comprehensive income	-2.50	-0.55	-2.50	-0.55
Other Adjustment	17.12	-	22.02	-
Profit available for Appropriation	1,345.77	1,139.76	1,068.47	973.03
Less: Appropriation				
(i) Interim Dividend on Equity	25.19	24.77	25.19	25.19
(ii) Dividend on Preference Shares	0.05	0.05	0.05	0.05
(ii) Tax on Dividend	0.01	5.14	0.01	5.14
(iv) Transferred to/(from) Debenture Redemption Reserve	-18.75	18.75	-18.75	18.75
Balance Carried Forward to Balance Sheet	1,339.27	1,091.05	1,061.97	923.90

2. OPERATIONS

(a) Standalone Results

Your Company has achieved total income of ₹ 7,935.29 crores for the year compared to the previous year ₹ 5,953.07 crores showing an increase of 33.30%. The Profit before Tax for the year was ₹ 209.86 crores compared to ₹ 208.85 crores in the previous year resulting in increase of 0.48%. The Profit after Tax for the year was ₹125.05 crores compared to ₹ 128.85 crores in the previous year resulting in decrease by 2.95%.

(b) Consolidated Results

Your Company has achieved total income of ₹8,875.68 crores for the year compared to the previous year's ₹6,687.73 crores showing an increase of 32.72%. The EBIDTA for the year was ₹788.92 crores compared to ₹ 706.52 crores in the previous year resulting in an increase by 11.66%. The Consolidated Profit before Tax for the year was ₹319.26 crores compared to ₹244.14 crores in the previous year resulting in an increase of 30.77%. The Consolidated Profit after Tax for the year was ₹ 234.44 crores compared to ₹ 164.12 crores in the previous year resulting in an increase by 42.85%. All intercompany transactions 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, 2019 was ₹ 30,890 crores.

(c) There has been no material changes and commitments 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:

i. Construction of Sedimentation Dams at Gangra, Liberia of Arcelor Mittal Liberia Limited.

ii. Construction of Six-lane green field Firozabad (village Gurha) to Etawah (village Moonj) (km 53.5 to km 115.5) access controlled Expressway Package II of Uttar Pradesh Expressway Industrial Development Authority.

iii. Construction of Coal Berth No. 4 at Kamarajar Port, Ennore, Chennai of Kamarajar Port Limited.

iv. Construction of Viaduct including related work for 5.16 Km length between Nicco Park to CBD-1 PKG-ANV3, at Kolkata of Rail Vikas Nigam Limited.

v. Construction of Viaduct including related work for 5.75 Km length between Kavi Subhash (New Garia) to VIP Bazaar, PKG-ANV1, at Kolkata of Rail Vikas Nigam Limited.

vi. Construction of Elevated Road over Barapulla Nallah starting from Sarai Kale Khan to Aurobindo Marg near INA Market, Phase-II from Jawaharlal Nehru Stadium to Aurobindo Marg with connection at Ring Road, Lala Lajpat Rai Marg and Aurobindo Marg, New Delhi of PWD Limited.

vii. Design and Construction of Six Lane cable stayed Railway over bridge at Nagpur of Maharashtra State Road Development Corporation Limited.

viii. CMRL Package VIII – Design validation and construction of works of underground station boxes D-wall at Sir Thiyagaraya college and Korrukupet station including associated cut and cover and bored tunnels at Chennai of Chennai metro Rail Limited.

ix. Civil and Structural Work for MTF at Jamnagar of Reliance industries Limited.

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

i. EPC Package I Works (Jetty 1 & 2 and Tug Berth) for LNG Port Terminal Facilities at Bhankodar village near Jafrabad, Gujarat of Swan LNG Private Limited of ₹ 316 crores.

ii. Structural Ball Bearing Replacement of Jetty MLA#4 using Samrat Jack-up Barge for Gujarat Chemical Port Terminal Company Limited, Gujarat of ₹8 crores.

iii. Construction of 3rd & 4th dual gauge line between Dhaka and Tongi and Doubling of DG track between Tongi & Joyedebpur, Bangladesh of Ministry of Railways, Bangladesh awarded to Afcons KPTL Joint Venture of which Afcons' shares is ₹584 crores.

iv. Construction of River Training and Embankment works for Phuentsholing Township development Project (PTDP), Bhutan of Construction Development Corporation Limited of ₹293 crores.

v. Construction of viaducts from 0/000 km to 13/300 km and upgradation to 8 lane from 32/800 km to 38/700 km for Mumbai-Pune Expressway, Lonavala on EPC mode - Package-II (Viaducts) of Maharashtra State Road Development Corporation Limited of ₹1,332 crores.

vi. Construction of Access Controlled Nagpur Mumbai Super Communication Expressway Maharashtra Samruddhi Mahamarg, Maharashtra on EPC Mode - Package 2 of Nagpur Mumbai Super Communication Expressway Limited of ₹ 2,762 crores.

vii. Development of Infrastructure at Agalega Island, Port of Mauritius of High Commission of India, Port of Mauritius through RITES Ltd. of ₹1,914 crores.

viii. Design and Construction of 1.8 Km long New Double Track BG Railway Bridge over river Ganges on Howrah-Patna BG Line in Danapur Division of East Central Railway, Mokama, Bihar, India through EPC Contract of Ircon International Limited of ₹1,154 crores.

ix. Design & Construct a container terminal in the Port Nouakchott, Mauritania of M/s. Arise Mauritania SA of ₹454 crores.

x. Supply of Material at Nouakchott Container Terminal, Mauritania awarded to Afcons Overseas Singapore Pte Limited., Subsidiary of Afcons of ₹389 crores.

xi. Construction of Access Controlled Nagpur - Mumbai Super Communication Expressway (Maharashtra Samruddhi Mahamarg), Maharashtra on EPC Mode for Package 14 (Tunnel works) from 623.379 km to 636.479km (CP-14.T-2078) of Maharashtra State Road Development Corporation Limited of ₹2,745 crores.

xii. Offshore Process Platform (CPP & LQUP) Project for development of KG-DWN-98/2 NELP Block, Kakinada of Oil and Natural Gas Corporation Limited awarded to Afcons and Sapura Fabrication Sdn. Bhd. Consortium. Afcons' share in the Consortium is ₹ 2,240 crores.

xiii. Design, Development, Operation and Maintenance of Smart Streets and elevated Smart Corridor including Beautification of Streets, Streetscape Design, Landscaping and intersection Redesign in Tirupati under Smart Cities Mission of Tirupati Smart City Corporation of ₹611 crores.

xiv. Construction of New Locomotive Workshop and Extension of Wagon Workshop, at GSEZ Mineral Ports, Libreville, Gabon of GSEZ Mineral Ports S.A. of ₹ 47 crores.

xv. Construction of Bulk Terminal on EPC Basis- San Pedro, Ivory Coast of Terminal Industrial Polyvalent De San Pedro of ₹ 504 crores.

xvi. Additional scope of work of Life Extension of Well Platform Project – LEWPP T 1 & T 2 – of ₹ 591 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. Additionally, India Ratings has also given short term rating of "A1+" indicating highest credit quality.

4. DIVIDEND

The Company has declared an Interim dividend to the equity shareholders @ 35% (i.e. ₹ 3.5 per equity share of ₹ 10 each) on the paid-up capital of ₹ 71,97,02,380 aggregating to total outflow of ₹ 25.19 crores (i.e. Interim dividend amount of ₹ 25.19 crores and dividend distribution tax Nil). Your Directors recommend the said Interim dividend on the Equity shares as final dividend for the financial year 2018-19.

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 and total equity share capital of the Company as on 31st March, 2019 was ₹ 71,97,02,380.

6. SUBSIDIARIES/ ASSOCIATE/ JOINT VENTURE

(a) During the year under review, your Company has not incorporated any new Subsidiary Company.

(b) Pursuant to provisions of Section 129(3) of the Companies Act, 2013, ("**Act**") and other applicable provisions, if any of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 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. Pursuant to provision of section 136, copy of separate financial statement of subsidiaries will be made available upon request of any Member of the Company who is interested in obtaining the same.

(c) The consolidated financial statements presented by the Company include financial statement of the Subsidiaries prepared in accordance with the applicable accounting standards.

(d) There are no material changes 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

a) During the year under review;

(i) There was no change in the composition of Board of Directors.

(ii) Mr.P.R.Rajendran, ceased to be the Company Secretary and Key Managerial Personnel of the Company with effect from 7th September 2018. The Board placed on record his valuable contribution during the long tenure of his service as the Company Secretary of the Company.

(iii) On the recommendation of the Nomination and Remuneration Committee, Mr. Gaurang Parekh was appointed as the Company Secretary and Key Managerial Personnel of the Company with effect from 19th October, 2018.

(b) Mr. S.Paramasivan (DIN: 00058445) and Mr. Umesh N. Khanna (DIN: 03634361), Directors of the Company are liable to retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

(c) The current terms of appointment of Mr. Pradip Narotam Kapadia (DIN: 00078673) as an Independent Director, not liable to retire by rotation expires at the ensuing Annual General Meeting. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company recommends to the members for the re-appointment of Mr. Pradip Narotam Kapadia as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years upto the conclusion of the Forty - Eight Annual General Meeting of the Company to be held in the calendar year 2024.

In the opinion of the Board of Directors, Mr. Pradip Narotam Kapadia fulfills the conditions for appointment as the Independent Director as specified in the Act and the Rules made there under and is independent of the management.

(d) Pursuant to the recommendation of the Nomination and Remuneration Committee and subject to Members approval at the ensuing Annual General Meeting, the Board of Directors at its meeting held on 24thJune 2019 have re-appointed Mr. Giridhar Rajagopalan (DIN: 02391515) as Whole-time Director designated as Executive Director (Technical) and Mr. Akhil Kumar Gupta (DIN: 03188873) as Whole-time Director designated as Executive Director (Operations) for a further period of 3 (three) years with effect from 1st July 2019 upto 30th June 2022 respectively.

Details of proposal of the above appointment and re-appointment are mentioned in the explanatory statement attached to the Notice of the Forty-Third Annual General Meeting.

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 Act is posted on the website of Companies at https://www.afcons.com/sites/default/files/2018-10/NRC%20Policy.pdf. Kindly refer to the Corporate Governance Report under head "Nomination and Remuneration Committee" for matters relating to constitution, meetings, functions of the Committee and salient features of the Policy.

11. STATEMENT ON EVALUATION OF PERFORMANCE OF DIRECTORS

Pursuant to the provisions of the Act, the Board has carried out the annual performance evaluation of its own performance, Board Committees and that of Individual Directors of the Company. 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 Act, 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 Act.

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 which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act.

14. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Act, 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 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 the Act, 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 taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the; 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 9001:2015 for Quality management System ISO: 14001:2015 for Environment Management System and OHSMS: 45001:2018 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:

i. Ministry of State for Labour & Employment has issued Runner-up National safety award for the tunnel project (T74 at J&K Rail).

ii. National Safety Council (Maharashtra Chapter) has issued Certificate of merit to Nagpur Metro Rh-3 project and for Industrial Safety to Butiburi Workshop.

iii. Confederation of Indian Industries has awarded:

(a) HSE Excellence Award 2018 (Eastern Region) for KMRC Project.

(b) HSE Excellence & 5 star Award 2018 (Southern Region) for Vizhinjam Site.

(c) 4 star Award 2018 (Southern Region) for Annaram Barage Project in Kaleswaram Site.

iv. Chennai Metro Rail Limited has awarded Rolling Trophy Award 2018 for being a best safety conscious contractor for Chennai Metro Rail Project.

v. Forum of Behavioral Base safety has awarded Behavioral Base safety award 2018 for Annaram Barrage Project, Kaleswaram Site.

vi. Green tech Foundation has awarded Green-tech Safety award in Gold category 2018 for outstanding achievement in Safety Management System– KRCL Project.

vii. British safety Council has issued International Safety Awards for several project sites.

16. AWARDS AND RECOGNITIONS

During the year, the Company has received several awards and recognitions, some of which are detailed below:

i. Most Innovative Knowledge Enterprise (MIKE) Award at Global, Asia and India levels in 2018 for its Knowledge Management practices. This is a successor of the Most Admired Knowledge Enterprise (MAKE) Award, which the company won in 2016 and 2017.

ii. Times Ascent National Award for Excellence in Training & Development 2018 for its best practices in learning transfer for improving business bottomline.

iii. CIDC Vishwakarma Awards 2018 for Best Construction Project (Roads & Highways) for Agra Lucknow Expressway Project and Best Construction Projects (Shipping & Port) for Bharat Mumbai Container Terminals project at Jawaharlal Nehru Port.

iv. Construction Times Award for the Best Executed Port & Harbour Project of 2018 for Bharat Mumbai Container Terminals Project.

v. National Infrastructure & Construction Awards 2018 under the category "The Best Infrastructure Company of the Year Award" received for the Wharf and Approach Trestle for Fourth Container Terminal, Jawaharlal Nehru Port project .

vi. EPC World Awards in the "Infra category" Port Project for Bharat Mumbai Container Terminal Project at Jawaharlal Nehru Port.

vii. The Infrastructure Project Award from Dun & Bradstreet 2018 won for Agra Lucknow Expressway Project.

viii. Afcons' documentaries won Two Awards at the Public Relations Council of India (PRCI) annual summit.

17. AUDITOR AND AUDITOR'S REPORT

(a) STATUTORY AUDITORS AND THEIR REPORT

Price Waterhouse Chartered Accountants LLP, Chartered Accountant (ICAI Firm Registration no. 012754N/N500016) ("**PWC**") was appointed as one of the Joint Statutory Auditors of the Company at the Forty-First Annual General Meeting held on 27th September, 2017 for a period of five years commencing from the Forty-First Annual General Meeting till the conclusion of the Forty-Sixth Annual General Meeting.

HDS & Associates LLP, Chartered Accountants (ICAI registration no.W100144) ("**HDS**") was appointed as one of the Joint Statutory Auditors of the Company at the Fortieth Annual General Meeting held on 29th September, 2016 for a period of five years commencing from the Fortieth Annual General Meeting till the conclusion of the Forty-Fifth Annual General Meeting.

Pursuant to Companies (Amendment) Act, 2017, the proviso regarding ratification of appointment of auditors at every annual general meeting by the members is removed vide notification dated 7th May 2018. Therefore, both PWC and HDS continues to hold office up to the conclusion of Forty-Sixth and Forty-Fifth Annual General Meeting respectively without any ratification of their appointment.

PWC and HDS have provided their respective consent, certificates and declarations as required under Section 139 and 141 of the Act 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 2019 does not contain any qualifications or reservation or adverse remark or disclaimer.

(b) SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to Section 204 of the Act, 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 2018-19. The report of the Secretarial Auditor is enclosed as **Annexure I** to this Report. The Secretarial Audit Report does not contain any qualifications, reservation or adverse remark.

The Company has complied with the Secretarial Standards as applicable to the Company pursuant to the provisions of the Act.

(c) COST AUDITOR

In terms of Section 148 of the Act, 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, 2019 to 31st March, 2020. The Company has received consent from M/s.Kishore Bhatia & Associates for their re-appointment. The members consent is being sought at the ensuing Annual General Meeting for ratification of the remuneration of the Cost Auditor for the financial year 2019-20.

18. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

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 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable.

During the year under review, no fraud was reported by the auditors to the Board of Directors.

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

During the year under review, there was no unclaimed dividend which was required to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government.

20. PARTICULARS OF EMPLOYEES

In terms of Section 97 read with 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.

21. 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 e.g. 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 41.42 MVA by Grid power of 14.23 MVA considering the sites. The reduction GHG (Green House Gas) emission by 23229 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. Replacement of Fluorescent Light fixtures with LED light fixtures at Afcons House building renovation to save energy and enhance life of fixtures, work completed.

   iii. At sites, we have started implementing LED light fixtures for Area lighting & office area instead of Fluorescent Light fixtures.
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	2,325.94	656.17
Outgo	1,971.85	684.67

22. PARTICULARS OF LOANS GUARANTEES OR INVESTMENTS

The Company is exempt from the provisions of Section 186 of the Act, 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 Act, the details required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. The investments covered under the provisions of Section 186 of the Act, are disclosed in the financial statements.

23. RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year 2018-19 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 Act, there are no material related party transactions entered 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 is made in the financial statements of the Company.

24. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of Annual Return as on 31st March, 2019 in prescribed form MGT - 9 is enclosed as **Annexure II** to this Report.

25. VIGIL MECHANISM POLICY

In accordance with section 177(9) of the Act, 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 available on the website of the Company at https://www.afcons.com/sites/default/files/2018-10/Vigil%20Mechanism%20Policy.pdf.

26. 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 is no risk identified which in the opinion of the Board may threaten the existence of the Company.

27. 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 III** 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 at https://www.afcons.com/sites/default/files/2018-10/CSR%20Policy.pdf.

28. 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 Internal Complaints committee (ICC) has also been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act.

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

29. 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.
   - Buyback of shares.
   - Employee Stock Options Scheme.
   - Invitation or Acceptance of fixed Deposit from public or shareholders.
   - Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
   - 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 and its operation in future.

c) There is no material change or commitments after closure of the financial year till the date of the report.

30. 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

S.P.MISTRY
DIN:00010114
CHAIRMAN

Place: Mumbai
Date: 25th June, 2019

Annexure I to Board's Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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 authorized 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, 2019, 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, 2019 according to the provisions of:

(i) The Companies Act, 2013 **(the Act)** and the rules made thereunder;

(ii) 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;

(iii) 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, 2015 and amendments from time to time; (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 The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
- (d) 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, 2018; (Not applicable to the Company during the audit period)

(iv) Other laws applicable specifically 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

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 Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc:

- Variation of 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/- (Rupees Two Hundred Fifty Crores only) of the Company held by Goswami Infratech Private Limited by extending the mandatory conversion date upto 13th January 2024.
- Variation of the terms and conditions of 10,00,00,000 0.01% Non-Cumulative and Non Profit Participatory Convertible Preference Shares having face value of ₹ 10/- each aggregating to ₹.100,00,00,000/- (Rupees One Hundred Crores only) of the Company held by Floreat Investments Private Limited by extending the mandatory conversion date upto 13th January 2024.
- Variation of the terms and conditions of 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/- (Rupees One Hundred Crores only) of the Company held by Shapoorji Pallonji and Company Private Limited by extending the mandatory conversion date upto 21st March 2024.
- Redemption of 9.99%, 500, Non-Convertible Debenture of ₹ 10,00,000/- each aggregating to ₹ 50,00,00,000/-.
- Redemption of 9.05%, 1000, Non-Convertible Debenture of ₹ 10,00,000/- each aggregating to ₹ 100,00,00,000/-.

For Parikh Parekh & Associates
Company Secretaries

Sd/-
Mitesh Dhabliwala
FCS No: 8331 CP No: 9511

Place: Mumbai
Date: 24th June, 2019

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. Whereever 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/-
Mitesh Dhabliwala
FCS No: 8331 CP No: 9511

Place: Mumbai
Date: 24th June, 2019

Annexure II to Board's Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2019

[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	22.11.1976
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: gaurang@afcons.com Website : www.afcons.com
Whether Listed company	No
Name, Address and Contact details of Registrar and Transfer agent, if any	Cameo Corporate Service 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	68.23%	2(46)
2.	Hazarat & Company Private Limited Warden House, Sir P.M.Road, Mumbai-400023	U74999MH1982PTC028701	Subsidiary	100%	2(87)(ii)
3.	Afcons Corrosion Protection Private Limited Afcons House, 16,Shah Industrial Estate, Veera Desai Road, Andheri West, Mumbai-400053	U28920MH1985PTC036876	Subsidiary	100%	2(87)(ii)
4.	Afcons Offshore and Marine Services Private Limited Afcons House, 16,Shah Industrial Estate, Veera Desai Road, Andheri West, Mumbai-400053	U11101MH1984PTC032807	Subsidiary	100%	2(87)(ii)
5.	Afcons Construction Mideast LLC Suite #1203, Platinum Business Centre, Bagdad Street, Al Nadha, Dubai, UAE	-	Subsidiary	49%	2(87)(i)
6.	Afcons Gulf International Projects Services FZE P O Box 4835, Fujairah, UAE	-	Subsidiary	100%	2(87)(ii)
7.	Afcons Infrastructures Kuwait for Building, Roads and Marine Contracting WLL 14th Floor, Unit A,Olympia Tower, Salmiya Gulf Road, Kuwait City	-	Subsidiary	49%	2(87)(i)
8.	Afcons Mauritius Infrastructure Limited 4th Floor, C.A. Building,19, Poudriere Street, Port Louis, Mauritius	-	Subsidiary	100%	2(87)(ii)
9.	Afcons Overseas Singapore Pte Ltd. 33, UBI Avenue 3, #08-68 Vertex, Singapore 408868	-	Subsidiary	100%	2(87)(ii)
10.	Afcons Infra Projects Kazakhstan LLP Office#509-510,15 Satpaeva Avenue, Republic Square, Almaty 050013, Republic of Kazakhstan	-	Subsidiary	100%	2(87)(ii)
11.	Afcons Sener LNG Construction Projects Pvt.Ltd. Afcons House, 16,Shah Industrial Estate, Veera Desai Road, Andheri West, Mumbai-400053	U45400MH2015PTC260889	Associate	49%	2(6)
12.	Afcons Overseas Project Gabon SARL Ancien Sobraga, Face entrée Clinique Union Medicale, Rez-de-Chaussee, Imeduble de limprimerie, BP20211, Libreville (Gabon)	-	Subsidiary	100%	2(87)(ii)
13.	Afcons Saudi Construction LLC. BO 16560, Riyadh 11474, Riyadh, KSA	-	Subsidiary	95%	2(87)(ii)

* Considered percentage of total Equity capital.

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.	49073682	21058029	70131711	97.4454	49101742	21048429	70150171	97.4710	0.0256
e) Banks /FI	-	-	-	-	-	-	-	-	-
f) Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	**49073682**	**21058029**	**70131711**	**97.4454**	**49101742**	**21048429**	**70150171**	**97.4710**	**0.0256**
(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)	**49073682**	**21058029**	**70131711**	**97.4454**	**49101742**	**21048429**	**70150171**	**97.4710**	**0.0256**
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) FIIs	-	-	-	-	-	-	-	-	-
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	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	95381	243426	338807	0.4707	140128	180219	320347	0.4451	(0.0256)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	131744	16549	148293	0.2060	131744	16549	148293	0.2060	0.0000
c) Others (specify)	-	-	-	-	-	-	-	-	-
Director and their relatives	107657	2400	110057	0.1529	110057	0	110057	0.1529	0.0000
Trusts	0	1191370	1191370	1.6553	0	1191370	1191370	1.6553	0.0000
Sub-total (B) (2) :	**334782**	**1503745**	**1838527**	**2.5543**	**381929**	**1438138**	**1820067**	**2.5287**	**(0.0256)**
Total Public Shareholding (B) = (B)(1) +(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Total Custodian (C)	-	-	-	-	-	-	-	-	-
Grand Total (A) +(B) +(C)	**49408464**	**22561774**	**71970238**	**100.0000**	**49483671**	**22486567**	**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 & COMPANY PRIVATE LIMITED	49083282	68.1993	-	49101742	68.2250	-	0.0256
2.	FLOREAT INVESTMENTS PRIVATE LIMITED	13015929	18.0851	-	13015929	18.0851	-	-
3.	HERMES COMMERCE PRIVATE LIMITED	4016250	5.5804	-	4016250	5.5804	-	-
4.	RENAISSANCE COMMERCE PRIVATE LIMITED	4016250	5.5804	-	4016250	5.5804	-	-
	Total	**70131711**	**97.4452**	**-**	**70150171**	**97.4709**	**-**	0.0256

(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 & COMPANY PRIVATE LIMITED				
	At the beginning of the year	49073682	68.1860	49073682	68.1860
	Demated 13-Apr-2018	9600	0.0133	49083282	68.1994
	Purchase 23-Nov-2018	1500	0.0020	49084782	68.2015
	Purchase 18-Jan-2019	16960	0.0235	49101742	68.2250
	At the end of the Year	49101742	68.2250	49101742	68.2250
2.	FLOREAT INVESTMENTS PRIVATE LIMITED				
	At the beginning of the year	13015929	18.0851	13015929	18.0851
	At the end of the Year	13015929	18.0851	13015929	18.0851
3.	HERMES COMMERCE PRIVATE LIMITED				
	At the beginning of the year	4016250	5.5804	4016250	5.5804
	At the end of the Year	4016250	5.5804	4016250	5.5804
4.	RENAISSANCE COMMERCE PRIVATE LIMITED				
	At the beginning of the year	4016250	5.5804	4016250	5.5804
	At the end of the Year	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 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
2.	Afcons Shareholding (Holiday Assistance) Trust No.2 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694

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 Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
4.	Afcons Shareholding (Educational Assistance) Trust No.1 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
5.	Afcons Shareholding (Educational Assistance) Trust No.2 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
6.	Afcons Shareholding (Educational Assistance) Trust No.3 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
7.	Afcons Shareholding (Health Promotion) Trust No.1 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
8.	Afcons Shareholding (Health Promotion) Trust No.2 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
9.	Afcons Shareholding (Health Promotion) Trust No.3 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694
10.	Afcons Shareholding (General Assistance) Trust No.1 Trustee: Homeyar Jal Tavaria JT1 : S. Kuppuswamy JT2 : Firoze Kavash Bathena				
	At the beginning of the year	50000	0.0694	50000	0.0694
	At the end of the year	50000	0.0694	50000	0.0694

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	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. Subramanian				
	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
10.	Mr. Giridhar Rajagopalan				
	At the beginning of the year	2400	0.0033	2400	0.0033
	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	2400	0.0033	2400	0.0033
11.	Mr. Akhil Kumar Gupta				
	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	-	-	-	-

Sr. No.	Name of the KMP	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. Ashok G. Darak	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
2.	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
3.	Mr. Gaurang Parekh $	-	-	-	-
	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	-	-	-	-

** Company Secretary up to 07.09.2018. $ Company Secretary w.e.f. 19.10.2018.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment (₹ in crores)

	Secured Loan	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	1160.06	493.49	-	1653.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	5.52	-	5.52
Total (i + ii + iii)	**1160.06**	**499.01**	**-**	**1659.07**
Change in indebtedness during the financial year				
• Addition	1002.86	1354.39	-	2357.24
• Reduction	948.21	1495.51	-	2443.71
Net Change	54.65	-141.12	-	-86.47
Indebtedness at the end of financial year				
i) Principal amount	1214.71	356.57	-	1571.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1.32	-	1.32
Total (i + ii + iii)	**1214.71**	**357.89**	**-**	**1572.60**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

A I. ***(₹ in lacs)***

Sr. No.	Particulars of Remuneration	Mr. K. Subramanian Executive Vice Chairman	Mr. S. Paramasivan Managing Director	Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	325.24	285.04	**610.28**
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	8.50	7.24	**15.74**
	(c) Profits in lieu of salary under section17(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 I)	**333.74**	**292.28**	**626.02**

A II. ***(₹ in lacs)***

Sr. No.	Particulars of Remuneration	Mr. Giridhar Rajagopalan - Executive Director (Technical)	Mr. Akhil Kumar Gupta - Executive Director (Operations)	Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	177.13	174.70	**351.83**
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	2.83	2.83	**5.66**
	(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 II)	**179.96**	**177.53**	**357.49**
	TOTAL (A I + A II)	**983.51**		
	Ceiling as per the Act #	**2,811.89**		

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	Name of Directors			Total Amount
		Mr. N. D. Khurody	Mr. R. M. Premkumar	Mr. P. N. Kapadia	
a.	Fees for attending Board/ Committee meetings	8.50	8.50	15.00	**32.00**
b.	Commission	-	-	-	-
c.	Others, please specify	-	-	-	-
	Total (1)	**8.50**	**8.50**	**15.00**	**32.00**

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	3.50	3.00	4.00	6.50	**17.00**
b.	Commission	-	-	-	-	-
c.	Others, please specify	-	-	-	-	-
	Total (2)	3.50	3.00	4.00	6.50	**17.00**
	TOTAL B =(1+2)	**49.00**				
	Total Managerial Remuneration*	**1,031.51**				
	Overall ceiling as per the Act^	**3,093.08**				

* Total Managerial Remuneration means 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**	Mr. Gaurang Parekh, Company Secretary $$	
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	91.05	44.59	11.35	**146.99**
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	1.07	0.11	0.10	**1.28**
	(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	**92.12**	**44.70**	**11.45**	**148.27**

** Company Secretary up to 07.09.2018 $$ Company Secretary w.e.f 19.10.2018

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					

Annexure III 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 at web link: https://www.afcons.com/isites/default/files/2018-10/CSR%20Policy.pdf
2.	The Composition of the CSR Committee	:	Mr. K. Subramanian – Chairman Mr. P. N. Kapadia – Member Mr. Umesh Khanna – Member
3.	Average net profit of the Company for last three financial years	:	₹ 108.69 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 have not been considered.
4.	Prescribed expenditure (two per cent. of the amount as in item 3 above)	:	₹ 2.17 Crores

5. Details of CSR spent during the financial year 2018-19
   a) Total amount to be spent for the financial year; : **₹ 2.17 Crores**
   b) Amount unspent, if any; : **₹ 0.24 Crores**

   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 Program wise (₹ In Crores)	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. Maharashtra	0.08	Direct Expenditure through corporate office	-	through implementing agency
2.	Shrividya Peeta Samvardhana Sabha	Eradicating hunger, poverty and malnutrition Schedule VII class (i) & Education Schedule VII clause (ii)	1. Koppa 2. Karnataka	0.46	Direct Expenditure through corporate office	-	Direct
3.	Masina Hospital Trust	Promoting health care Schedule VII clause (i)	1. Mumbai 2. Maharashtra	0.50	Direct Expenditure through corporate office	-	Direct
4.	Global Vikas Trust	Water management system for making available safe driking water Schedule VII clause (i)	1. Vile parle 2. Maharashtra	0.30	Direct Expenditure through corporate office	-	Direct
5.	Shri Jagadguru Badari Shankaracharya Samsthanam	Eradicating hunger, poverty and malnutrition Schedule VII class (i) & Education Schedule VII clause (ii)	1. Koppa 2. Karnataka	0.26	Direct Expenditure through corporate office	-	Direct

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 Program wise (₹ In Crores)	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
6.	Alwarkurichishri Kasiviswanaathar Temple	Eradicating hunger, poverty and malnutrition Schedule VII class (i)	1. Alwarkurichi 2. Tamilnadu	0.02	Direct Expenditure through corporate office	-	Direct
7.	Sri Ramanasramam	Eradicating hunger, poverty and malnutrition Schedule VII class (i)	1. Tiruvanamalai 2. Tamil Nadu	0.06	Direct Expenditure through corporate office	-	Direct
8.	Lokashankara Prathishtanam	Education Schedule VII clause (ii)	1. Coimbatore 2. Chennai	0.25	Direct Expenditure through corporate office	-	Direct
	Total			**1.93**			

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 – **The Company has undertaken various other CSR activities. However, the same does not qualify under schedule VII of Companies Act, 2013. The short contribution of ₹0.24cr shall be carried out during the current Financial year 2019-20.**
7. The implementation and monitoring of Corporate Social Responsibility policy are in compliance with CSR Objectives of the Company.

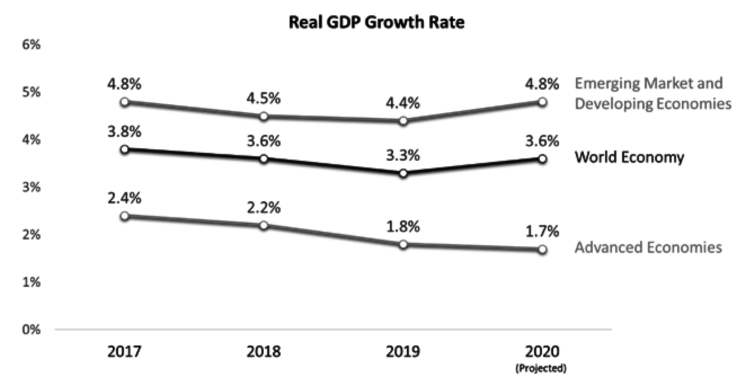
Sd/-
K. Subramanian
Din:00047592
Executive Vice Chairman &
Chairman of the CSR Committee

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY: OVERVIEW

Global economic activity slowed down in 2018, particularly in second half, to 3.6% compared to strong growth of 3.8% in 2017 as per IMF. Global growth is expected to remain moderate in near term before picking up modestly. Escalation of United States – China trade tensions, tighter credit policies in China, disruptions to the auto sector in Germany, macroeconomic stress in Argentina and Turkey has resulted in slow growth. Other factors like financial tightening alongside the normalization of monetary policy in the larger advanced economies, weakening of consumer and business confidence have also contributed to a weaker global growth in 2018. Trade tensions increasingly took a toll on business confidence thereby worsening financial market sentiment.

Global growth in 2019 is projected to further slow down to 3.3% before increasing to 3.6% in 2020. Growth in 2019 is expected to pick up in second half due to policy accommodation by major economies while markets are more optimistic about US-China trade deal. Ongoing build-up of policy stimulus in China, recent improvements in global financial market sentiment, waning of some temporary drags on growth in euro area and gradual sterilizations of conditions in stressed emerging market economies will further boost world economy. Global growth beyond 2020 is set to plateau ~ 3.6% over medium term, sustained by increase in relative size of China and India. However, further escalation of trade tensions and associated increases in policy uncertainty could weaken growth.

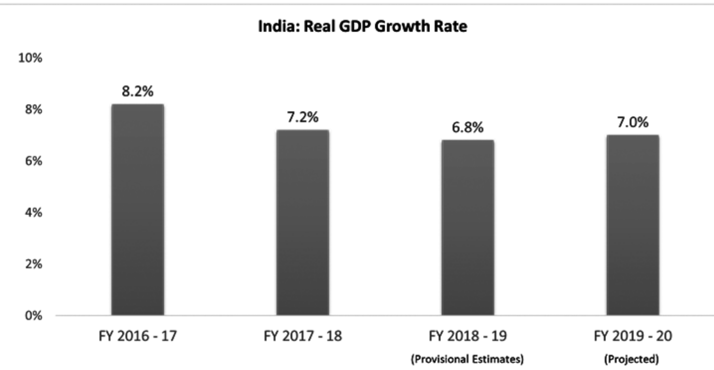


Source: World Economic Outlook Apr 2019, IMF

INDIAN ECONOMY: OVERVIEW

There has been slowdown in Indian economic growth in recent years. The GDP grew by 6.8% in FY 2018-19, lowest growth rate in last five years. Several downside risks continue for India-geo-political tensions leading to pressures on oil prices and India's dependence on oil, rising US – China trade disputes.

India is projected to remain one of the fastest major growing economy. GDP is expected to grow at 7% in FY 2019-20 on account of anticipated pickup in the growth of investment and acceleration in the growth of consumption as per Economic Survey 2018-19. Private consumption and investment are expected to benefit from strengthening credit growth amid more accommodative monetary policy, with inflation having fallen below the RBI's target.



Source: National Statistical Office, Government of India

Union Budget FY 2019 – 20

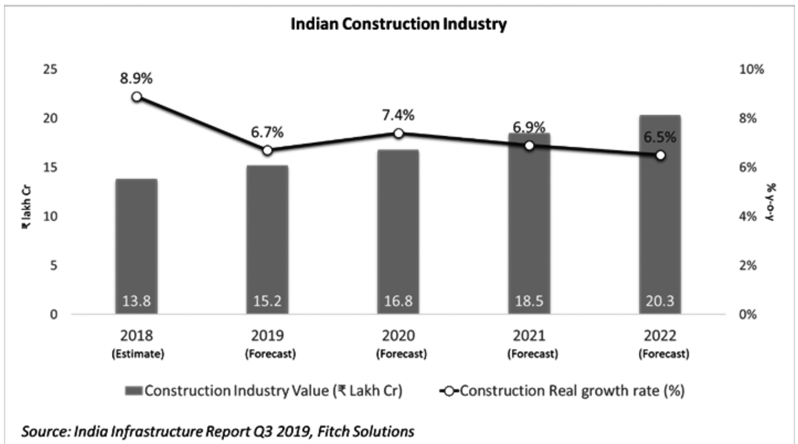
Government of India unveiled a vision for making India a $ 5 trillion economy by FY 2024-25. This will make India third largest economy in the world by 2025. To achieve this vision of $ 5 trillion economy, India needs to sustain a real GDP growth of 8%. Economic Survey stated that this growth can be sustained by shifting gears to create a virtuous cycle of saving investment and exports supported by favourable demographics. Key ingredients of virtuous cycle are – nourishing MSMEs, creation and use of data as public good, behaviour change and legal reforms. Private investment is considered as key investment driver of economy.

Infrastructure continues to remain a key focus area for the Indian economy. Indian government is expected to spend ~ ₹ 100 lakh Cr on infrastructure upgradation over next five years. Investment driven growth requires access to low cost capital. Union budget has proposed several measures to enhance sources of capital for infrastructure financing like – formation of Credit Guarantee Enhancement Corporation, action plan to deepen market for long term bonds with specific focus on infrastructure, permitting investments made by FIIs/FPIs in debt securities issued by Infrastructure Debt Funds or NBFCs to be transferred / sold to any domestic investor within specified lock-in period.

India continue to rise in World Bank's 'Doing Business' rankings. In 'Doing Business 2019' rankings, India recorded jump of 23 positions and is placed at 77th rank among 190 countries. India registered most improvements in two particular indicators – Construction permits and Trading across borders. However, in spite of huge improvement in overall ranking in 'Ease of Doing Business', India continues to lag on Enforcing Contracts parameters. India is ranked at 163rd place in enforcing contracts indicating difficulties faced by businesses for timely resolution of contractual disputes.

INDIAN CONSTRUCTION INDUSTRY: STRUCTURE AND DEVELOPMENT

Indian construction industry is poised for strong growth over the coming years driven by stable and continuous government support for infrastructure development, increased private investment in key sectors and continued reforms to improve India's attractiveness for foreign investors. India's construction industry is estimated to be ~ ₹ 13.8 lakh Cr in 2018 and is forecasted to grow to ₹ 20.3 lakh Cr by 2022 as per a report by Fitch Solutions. Construction sector is forecasted to grow by 6.7% in real terms in 2019 and is further projected to grow at an annual average of 6.6% between 2019 and 2028. Government support for infrastructure development is illustrated by continuous increase in allocations to road, rail, housing segment.



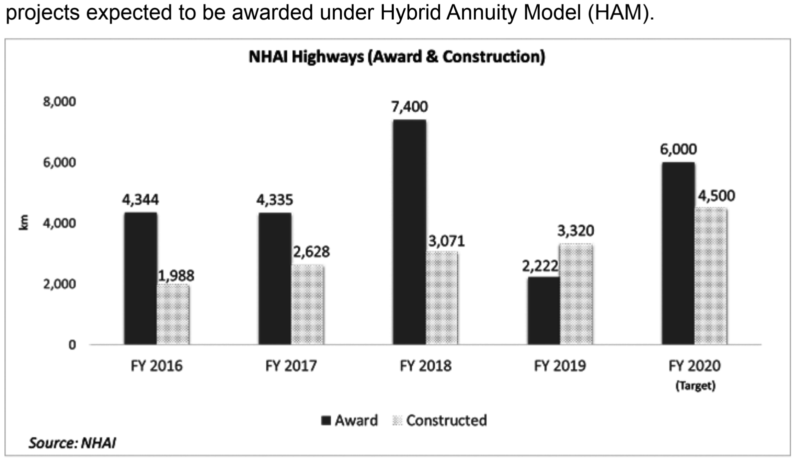
ROADS

Road segment continues to be the largest and fastest growing segment of transport infrastructure sector as both central and state governments are investing in construction of new roads and expressways as well as rehabilitation of existing road networks.

FY 2018-19 was declared by the Ministry of Road Transport & Highways as the YEAR OF CONSTRUCTION. Highways construction in India reached a new high of 30 km per day in FY 2018-19 as per Economic Survey 2018-19. Bharatmala Pariyojana, the umbrella program for highways sector unrolled in 2017-18, aims to optimize efficiency of road traffic movement across India by bridging critical infrastructure gaps. 34,800 km national highways are planned to be constructed at a cost of ₹ 5.35 lakh Cr under Phase-I of Bharatmala Proyojana between FY 2017-18 to FY 2021-22. ~ 7,000 km length of projects have been awarded under this programme. In current fiscal year, NHAI completed financial closure of its first Toll-Operate-Transfer (TOT) project, 9 projects totalling approximately 681 km in Andhra Pradesh and Gujarat, for ₹ 9,681 Cr.

Union Budget FY 2019-20 has seen an increase in allotment to Ministry of Road Transport & Highways to ₹ 83,000 Cr. Government is estimated to spend ~ ₹ 80,250 Cr on upgrading 1.25 lakh Km of roads over next five years under Pradhan Mantri Gram Sadak Yojana (PMGSY) III. Indian government has planned to carry out comprehensive restructuring of National Highway Programme to ensure that National Highway grid of desirable length and capacity is created using financeable model. Post completing Bharatmala Phase I, states will help in developing state road networks.

For FY 2019-20, NHAI has set an all-time high target of constructing 4,500 km of highways. NHAI also plans to award 6,000 km of highways in this fiscal year with most projects expected to be awarded under Hybrid Annuity Model (HAM).



RAILWAYS

Indian government estimated that Railway Infrastructure would need an investment of ₹ 50 lakh Cr between 2018-2030. In Union Budget FY 2019-20, capital expenditure for Indian Railways is pegged at 1.6 lakh Cr, 20% increase over last year.

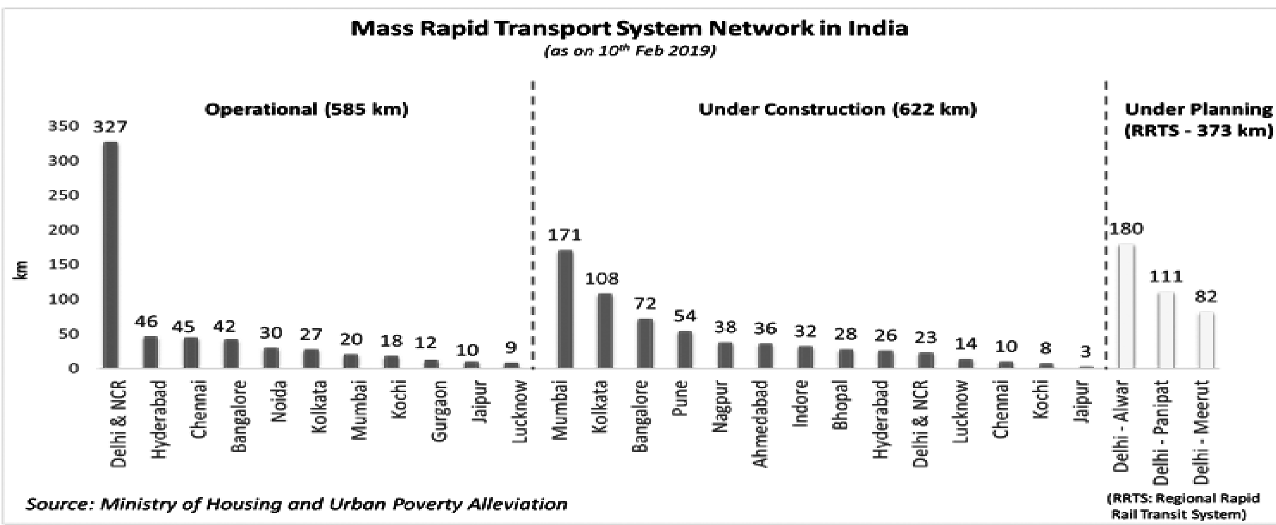
The Government proposed to use Public-Private partnership (PPP) to unleash faster development and completion of tracks, rolling stock manufacturing and delivery of freight services. Massive programme of railway modernization is expected to be launched in this fiscal year. Electrification of Indian Railways' broad-gauge network is expected to be completed by 2021-22. Indian Railways are targeting to complete 7000 route km for electrification and 3,750 km of new lines, doubling/tripling, gauge conversion in FY 2019-20.

Two Dedicated freight corridors (DFCC) are targeted to be completed by 2021. Mumbai-Ahmedabad High Speed Rail (HSR) project is on track with tendering in progress and is planned to be completed by 2023.

METRO RAIL

In FY 2018 -19, new metro rail projects for a total length of 300 km were approved. In 2019, 210 km of metro lines have been operationalized thereby increasing the total operational metro rail network in India to 657 km as on June 2019. Indian government has proposed to enhance metro rail initiatives by encouraging more PPP initiatives and ensuring completion of sanctioned works, while supporting Transit Oriented Development (TOD) to ensure commercial activity around transit hubs. Government is planning to encourage Railways to invest more in suburban railways through SPV structures like Rapid Regional Transport System (RRTS) proposed on Delhi-Meerut route.

Approximately 600 km of sanctioned metro lines under construction is expected to be operational in next five years and ~ 1,000 km of metro lines proposals are under planning stage. Union Budget FY 2019-20 allocated ~ ₹ 19,152 to Ministry of Housing and Urban Affairs for executing Mass Rapid Transit System (MRTS).



MARINE

Government of India has launched Sagarmala Programme, flagship initiative for port modernization and new port development, port connectivity enhancement, port linked industrialization and coastal community development in phase wise manner over the period of 2015 – 2035 at an estimated investment of ₹ 8 lakh Cr. Sagarmala aims to drastically reduce logistics costs and improve efficiency of supply chain sector.

Summary of Sagarmala Projects

Project Theme	No. of Projects	Project Cost (₹ Cr)
Port led Industrialization	57	4,74,893
Port Connectivity	213	2,50,915
Port Modernization	266	1,45,096
Coastal Community Development	68	7,204

Projects under Implementation & Development (as on 30th Sep 2018)

Project Status	No. of Projects	Project Cost (₹ Cr)
Completed	93	14,997
Under Implementation	161	2,37,980
Under Development	268	1,79,517

Source: Ministry of Shipping

HYDRO

India is endowed with large hydropower potential of 145 GW of which only about 45 GW is utilized so far. ~ 10,000 MW of hydro power has been added in last 10 years. As a measure to promote hydro power sector in the country, Indian government took several policy decisions this year. Large Hydropower Projects (LHPs > 25 MW) are declared as renewable energy sources. Separate Hydropower Purchase Obligation (HPO) for LHPs, extending budgetary support for flood moderation and enabling infrastructure, increasing debt repayment period to 18 years, introduction of escalating tariffs of 2%, tariff rationalization measures are expected to promote hydropower projects.

Cabinet committee on Economic Affairs (CCEA) approved ~ ₹ 10,000 Cr for two Hydroelectric power (HEP) projects in Mar 2019 – 624 MW Kiru HEP, J&K and 500 MW Teesta VI HEP, Sikkim.

WATER

With acute water crisis faced by several states in India, central government will work with increased focus with state governments to address issues related to water availability, distribution and treatment. Indian Government has announced four major water related schemes: Interlinking of River (ILR); Namami Gange – effective abatement of pollution, conservation and rejuvenation of National river Ganga; Har Ghar Jal – piped water supply for all; Pradhan Mantri Krishi Sinchayee Yojna (PMKSY) – enhance irrigation access.

Water, wastewater management and clean rivers is one of the 10-point vision for the decade unveiled as a part of Union Budget FY 2019 – 20. All water related schemes are merged under Jal Shakti Ministry for integrated and holistic management.

HYDROCARBON

Oil & Gas industry in India plays an important role as over 1/3rd of India' energy requirement is met by hydrocarbons. Indian Government has targeted to reduce imports of oil and gas by 10% by 2022. This in turn will require substantial investment in domestic hydrocarbon industry. India's rising oil and gas consumption is expected to support investments in refining capacity and upstream production.

GLOBAL CONSTRUCTION INDUSTRY

Global construction industry output growth is expected to be 3.3% in 2019, slight increase over 3.2% in 2018 as per GlobalData report. Total global construction output is estimated to increase at the rate of 3.3% and forecasted to reach from $ 11.4 trillion in 2018 to $ 13.4 trillion in 2023. Risk to overall growth stems primarily from trade tensions between US – China which could impact investment and constrain global economic growth.

Sub-Saharan Africa is expected to be fastest growing construction industry among all major regions in the world over next five years, growing at a CAGR of 6.1% from 2019-2023. Many East Africa countries like Tanzania, Kenya are expected to continue to grow strongly. Ethiopia's construction is forecasted to grow by double digit, 11.2% led by investment in public infrastructure and high FDI. Recovery is expected in construction industry in Nigeria in medium term, however South Africa's construction is expected to remain sluggish. With the start of production and export of natural gas, construction in Mozambique will get boost as substantial infrastructure is required to be developed for gas extraction and transportation. Construction in Ghana is still recovering and will be further supported by continued expansion of oil & gas production, rapid urbanization and a growing housing deficit. Ghana government is planning significant investment in transport infrastructure, mainly rail and airports as Ghana is working to position itself as a regional transportation hub in West Africa.

Middle East construction industry continues to be dependent upon oil and gas performance and also on implementation of ambitious public investment plans by several countries. Road related infrastructure sector is expected to receive largest investments across GCC countries and is a top priority for governments in line with their respective urban planning programme. UAE's construction industry outlook is promising with significant investment in oil pipeline infrastructure. Qatar is projected to be fastest growing market in the region with growth supported by infrastructure spending in FIFA World Cup 2022, National Vision 2030. Global growth slowdown is likely to impact fall in oil prices and geopolitical tensions within the region continue to be major risk factors for growth.

Many countries in South East Asia region are expected to grow their construction output at a fast pace with average annual growth rate of 6% over the next 5 years due to buoyant state of their economies and investment in infrastructure developments. Indonesia government has announced major plans to build infrastructure across country – rail, road and airports worth $ 28 billion, constructing High Speed rail, Light rail corridor in Jakarta. Construction activity in Indonesia is expected to grow at 6% over next few years with government focus on investing in transport and energy infrastructure. Myanmar's construction growth is projected to be strong over coming years as government plans to address infrastructure deficit.

Latin America construction industry is still reeling under the pressure due to political uncertainties and geopolitical tensions. Argentina construction industry is expected to shrink in 2019 because of uncertainty around elections, high interest rates and very high inflation. Peru's construction industry is expected to grow at 5% in 2019 as government continues ongoing investment in reconstruction and infrastructure projects.

BUSINESS OVERVIEW

Afcons bagged orders wroth ₹ 15,944 Cores in FY 2018-19. Pending order book position of Company as on 31st March 2019 stands at ₹ 30,890 Cores. The Company has seen consistent increase in average project size over last several years, with average new order procured size at ₹ 1,100 Cores in FY 2018-19. Projects were procured across business units from several countries with majority of orders from India. Afcons continued to increase its expansion in newer international countries and also entered newer sub-segments. A Substantial share of turnover in the FY 2018-19 came from international markets thereby enabling Afcons to achieve its vision of becoming a transnational company.

Afcons continues to face intense competition in domestic markets and has to compete with reputed international contractors in overseas markets. Afcons has a good revenue visibility for next three years from existing order book and will continue to procure quality as well as technically challenging projects going forward.

Afcons is well placed on the path of growth with projects spread across business units and across multiple geographies. There is no over reliance on a particular country or any one business unit.

Afcons core strategic goal is to become a Knowledge Enterprise. In this quest, Afcons has made substantial progress and has been recognized with the inaugural MIKE (Most Innovative Knowledge Enterprise) award for three levels – Global, Asia and India in 2018. Globally Afcons is the only infrastructure company to win this award on all three levels. With this win, Afcons has now won the prestigious award for three years at all three levels in a row – MAKE award (Most Admired Knowledge Enterprise, now discontinued and followed by MIKE award) in 2016 & 2017 and MIKE award in 2018.

RISK AND CONCERNS

A. Global Events

- Escalation of trade tensions between United States – China
- Increased volatility in global financial conditions over the uncertainty of the stance of monetary policy in US and other advanced countries.

- Abrupt tightening of global financing conditions or sudden rise in financial market volatility could upset growth plans.
- Waning popular support for global economic integration can disrupt global supply chain and logistics.
- Sharper than expected slowdown and existing high levels of debt in China can further dampen world economy.
- India is vulnerable to oil price spikes. Sudden increase in oil prices would impact Indian economy by worsening current account deficit and elevating inflation.
- Protectionist steps adopted by US Government and rising protectionism across economies may impact the global economy.
- Increase in commodity prices volatility may have an adverse impact on the global financial markets.
- Uncertainty surrounding Brexit and prospect of Britain leaving Euro without a deal.

B. Domestic Events

- Aversion by Banks to lend to Infrastructure sector and increased compliance requirements by Banks can impact construction players in arranging working capital and bank guarantees limits.
- One sided contractual terms and conditions can put in substantial stress on working of infrastructure industry.
- Lack of contract enforcement and client's preference towards arbitration for routine matters can affect working capital requirement of contractors and delay project execution.
- Continued lack of liquidity in the financial markets can further hurt companies across industries to manage working capital requirement.
- Delays in obtaining clearances for execution and commissioning of infrastructure projects can result in financial stress.
- Availability of skilled manpower for highly complex, technical and mega infrastructure projects.
- Increasing high public debt and failure to achieve budget's deficit target can result in worsening fiscal position thereby derailing several government initiatives.

OUTLOOK

The global economy is recovering with real GDP growth rate expected to remain moderate in medium term. India is projected to be the fastest major growing economy in the world. India has achieved 6.8% GDP growth in FY 2018-19 and is expected to accelerate growth to 7.0% in FY 2019-20.

Your company will continue to follow a path of de-risking as a key component of its growth. Afcons has successfully achieved substantial part of its turnover from overseas markets and will continue to expand further in international countries.

Your company would continue to adhere to its stated mission to be a prominent Transnational Infrastructure company that is recognized for Business Innovations, focused on Total Satisfaction and creating Enhanced value for all its 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 external 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 exists 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

Your company is the first Indian Infrastructure company to be certified as Great Workplace and among few companies to be certified in its first attempt.

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 continues 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.

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 the 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.

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, 2019 the Board of Directors of the Company comprised of 11 Directors out of which 4 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. The composition of the Board is in conformity with the Companies Act, 2013 read with the Rules issued thereunder.

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 2018-19, Four (4) Board Meetings were held on the following dates 11th June 2018, 27th September, 2018, 20th December 2018 and 25th February 2019. 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 2018-19		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 27.09.2018
		Held	Attended	Member	Chairman	Member	
Mr. S. P. Mistry	Chairman, Non-Executive Director	4	2	2	-	-	Yes
Mr. K. Subramanian	Executive Vice Chairman	4	4	-	-	-	Yes
Mr. N. D. Khurody	Independent Director	4	3	1	-	-	No
Mr. P. N. Kapadia	Independent Director	4	4	4	1	5	Yes
Mr. R. M. Premkumar	Independent Director	4	4	2	1	2	Yes
Mr. U. N. Khanna	Non-Executive Director	4	4	1	-	-	Yes
Mr. Pallon S Mistry	Non-Executive Director	4	3	4	-	1	Yes
Ms. Roshen M Nentin	Non-Executive Director	4	4	-	-	-	Yes
Mr. S. Paramasivan	Managing Director	4	4	-	-	-	Yes
Mr. Giridhar Rajagopalan	Executive Director (Technical)	4	3	-	-	-	Yes
Mr. Akhil Kumar Gupta	Executive Director (Operations)	4	2	-	-	-	Yes

Note:

1. Excludes Directorship in association, Private Companies, Foreign Companies & Companies registered under section 8 of the Companies Act, 2013 **("Act")**.
2. Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee in other Public Companies have been considered.

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 Act, 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 Act and the Rules made thereunder;

c. Four Meetings were held during the year on the following dates:

11th June 2018, 27th September, 2018, 20th December 2018 and 25th February 2019.

d. As on 31st March, 2019 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	Chairman	4	3
Mr. P. N. Kapadia	Independent Director	Member	4	4
Mr. R. M. Premkumar	Independent Director	Member	4	4

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 Act 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" (hereinafter "**Committee**").

b. Terms of Reference of the 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 Act 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, 2019 the composition of Committee and particulars of meetings attended by the members of Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N. D. Khurody	Independent Director	Chairman	3	2
Mr. P. N. Kapadia	Independent Director	Member	3	3
Mr. S. P Mistry	Non-Executive Director	Member	3	3

d. Three Meetings were held during the year on the following dates:

11th June 2018, 27th September, 2018, 20th November 2018.

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.

The Salient feature of the Nomination and Remuneration policy are as under:

- The remuneration to Executive Director, KMP and Senior Management Personnel, 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 Act. 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.
- 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 Act, 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 Act.
- 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 Executive Vice Chairman in line with the Company's policies.
- The Committee shall ratify such appointment and removal of KMP and Senior Management Personnel.

f. Details of Remuneration paid to Directors during the financial year 2018-19:

i. Executive Directors

(₹in p.a.)

Name of Director	Basic Salary	PF/SA	Perquisites	Total Remuneration
Mr. K. Subramanian	64,50,000	17,41,500	2,61,13,502	3,43,05,002
Mr. S. Paramasivan	55,50,000	14,98,500	2,29,94,000	3,00,42,500
Mr. Giridhar Rajagopalan	26,70,000	7,20,900	1,51,35,790	1,85,26,690
Mr. Akhil Kumar Gupta	26,70,000	7,20,900	1,48,65,557	1,82,56,457
Total	**1,73,40,000**	**46,81,800**	**7,91,08,849**	**10,11,30,649**

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.Subramanian	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 ₹)	Equity Shareholding in the Company	
		No. of Shares	% holding
Mr. S. P. Mistry	3,50,000	-	-
Mr. N. D. Khurody	8,50,000	-	-
Mr. P. N. Kapadia	15,00,000	-	-
Mr. U. N. Khanna	6,50,000	-	-
Mr. R. M. Premkumar	8,50,000	-	-
Mr. P. S. Mistry	3,00,000	-	-
Ms. R. M. Nentin	4,00,000	3,310	0.0046
Total	**49,00,000**	**3,310**	**0.0046**

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

V. Corporate Social Responsibility Committee

a. In accordance with the requirement of Section 135 of the Act 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.

b. 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.
- Recommending spending of CSR Fund.
- Implementation & monitoring of CSR Policy.
- Recommend amendments and improvements in the CSR Policy and its implementation.

c. As on 31st March, 2019 the Composition and particulars of meetings attended by the members of Corporate Social Responsibility Committee is as under:

Two Meetings were held during the year on the following dates:

14th May, 2018 and 11th June, 2018.

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. K. Subramanian	Executive Vice Chairman	Chairman	2	2
Mr. P. N. Kapadia	Independent Director	Member	2	2
Mr. Umesh Khanna	Non-Executive Director	Member	2	1

VI. Stakeholders Relationship Committee:

a. 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")**.

b. The broad terms of reference of SRC is as under:

- To issue and allot Equity Shares, Convertible Preference shares (fully/partly/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/partly/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 Debenture holder 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/partly/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: 11th September, 2018, 27th September, 2018, 8th February, 2019 and 14th March, 2019.

d. As on 31st March, 2019 the Composition and attendance of members at the meetings of the Stakeholders Relationship 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	3
Mr. S. Paramasivan	Managing Director	Member	4	3

e. Name and Designation of the Compliance Officer

Mr. P.R. Rajendran was the Company Secretary and Compliance officer of the Company until 7.9.2018. Mr. Gaurang Parekh, appointed as Company Secretary and Compliance officer of the Company w.e.f. 19.10.2018.

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 2019.

VII. Independent Directors meeting

The meeting of the Independent Directors of the Company was held on 25th February, 2019. As per the provisions of Section 149 read with Schedule IV of the Act, at the said meeting, the Independent Directors discussed & reviewed 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. COMMITTEE OF DIRECTORS

The Committee of Directors (**"COD"**) was reconstituted on 27th June, 2016 with revised powers for delegation of certain powers of the Board of Directors to Committee of Directors which are of routine & urgent nature can be approved/ passed by the said Committee.

i. The broad terms of reference of COD is as under:

a. opening and closing of bank accounts of the company.

b. Issuance of Power of Attorneys for tax, administration, legal and project bidding, execution purposes.

c. Authorisation to representative of the Company for representation before statutory authorities.

d. Availing of credit facilities (including amendment thereof) from bank [s.179(3)].

e. Giving of loans and providing of guarantees [s.179(3)].

f. Incorporating Company in India or Overseas.

g. Setting up of Branch office, representative office and licensing office.

h. Availing corporate internet Banking with online transaction Rights from Banks for our routine corporate transactions.

i. Other transactions of routine nature which cannot be referred to the next Board meeting.

ii. Four meetings were held during the year on the following dates:

22nd May, 2018, 1st August, 2018, 31st October, 2018 and 31st January, 2019.

iii. As on 31st March, 2019 the Composition and attendance of members at the meetings of the Committee of Directors is as under:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N. D. Khurody	Independent Director	Chairman	4	2
Mr. P. N. Kapadia	Independent Director	Member	4	4
Mr. Umesh Khanna	Non-Executive Director	Member	4	1
Mr. S. Paramasivan	Managing Director	Member	4	3

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
31.03.2018	registered office of the Company	27.09.2018	4.30 p.m
31.03.2017	registered office of the Company	27.09.2017	4.30 p.m
31.03.2016	registered office of the Company	29.09.2016	4.30 p.m

b. Details of Extra Ordinary General Meeting (EGM) held in the last 3 years: There was no EGM held in the last 3 years.

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

42nd AGM dated 27.09.2018	i. Consent of the Company for appointment of Mr. K. Subramanian, (DIN:00047592) as an Executive Vice Chairman of the Company for the remaining tenure i.e. up to 30th June, 2020. ii. Consent of the Company for appointment of Mr. S.Paramasivan (DIN:00058445) as Managing Director of the Company for the remaining tenure i.e. up to 30th June, 2020. iii. Consent of the Company for raising ₹200 Crores (Rupees Two Hundred Crores only) through issue of Unsecured, Redeemable, Unlisted Non-Convertible Debentures ("NCDs") on private placement basis.
41st AGM dated 27.09.2017	i. Consent of the Company for variation of appointment and remuneration of Mr.S.Paramasivan, (DIN:00058445) Deputy Managing Director for the period from 21st May, 2017 to 30th June, 2017. ii. Consent of the Company for re-appointment and revise remuneration of Mr. K. Subramanian, (DIN:00047592) as a Vice Chairman & Managing Director of the Company for a period of term of 3 years from 1st July, 2017 to 30th June, 2020. iii. Consent of the Company for re-appointment and revise remuneration of Mr. S.Paramasivan (DIN:00058445) as a Deputy Managing Director of the Company for a period of term of 3 years from 1st July, 2017 to 30th June, 2020. iv. Consent of the Company for appointment of Mr. Giridhar Rajagopalan (DIN:02391515) as Whole-Time Director and designated as Executive Director (Technical) of the Company. v. Consent of the Company for appointment of Mr. Akhil Kumar Gupta (DIN:03188873) as Whole-Time Director and designated as Executive Director (Operations) of the Company. vi. Consent of the Company for re-appointment of Mr. N.D Khurody as Independent Director of the Company. vii. Consent of the Company for re-appointment of Mr. R.M.Premkumar as Independent Director of the Company. viii. Consent of the Company for raising ₹ 200 Crores (Rupees Two Hundred Crores only) through issue of Unsecured, Redeemable, Unlisted Non-Convertible Debentures ("NCDs") on private placement basis.
40th AGM dated 29.09.2016	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. ii. Consent of the Company under section 180(1)(a) of the Act to create charges, mortgages or any other hypothecation on movable or non-movable assets of the Company not exceeding ₹ 20,000 Crores.

d. During the year under review, approval of shareholders of the Company was sought through Postal Ballot and details of the same are given below:

i. Variation of 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/- (Rupees Two Hundred Fifty Crores only) of the Company held by Goswami Infratech Private Limited by extending the mandatory conversion date upto 13th January 2024.

ii. Variation of the terms and conditions of 10,00,00,000 0.01% Non-Cumulative and Non Profit Participatory Convertible Preference Shares having face value of ₹ 10/- each aggregating to ₹100,00,00,000/- (Rupees One Hundred Crores only) of the Company held by Floreat Investments Private Limited by extending the mandatory conversion date upto 13th January 2024.

iii. Variation of the terms and conditions of 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/- (Rupees One Hundred Crores only) of the Company held by Shapoorji Pallonji and Company Private Limited by extending the mandatory conversion date upto 21st March 2024.

X. DISCLOSURES

There were no materially significant related party transactions during the financial year 2018-19 that may have potential conflict with the interests of the Company at large. The detail of the related party transactions as per IND AS 24 are included in the notes to accounts forming part of the Annual Reports.

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, Directors 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	:	26th September, 2019
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 : 19th September, 2019 to 26th September, 2019 (both days Inclusive)

d. ISIN No. : INE101I01011

e. Registrar & Share Transfer Agent : Cameo Corporate Service Limited
Subramanian Building, 1 Club House Road, Chennai-600002.
Tel. No.:044-28460390
Fax No.:044-28460129
Email id.: afcons@cameoindia.com

e. CIN : U45200MH1976PLC019335

f. Tel : +91 22 67191000

g. Fax : +91 2226730027 /1031/0047

h. Email id : gaurang@afcons.com

i. website : www.afcons.com

XIII. SHAREHOLDING PATTERN AS ON 31st MARCH, 2019

Sr. No.	Category	No. of Shares	% of total
1.	Promoter's holding		
	Indian Promoters -Bodies Corporate	70150171	97.47
	Sub total (1)	**70150171**	**97.47**
2.	Non Promoters Holding		
	Companies / Bodies Corporate	50000	0.07
	Employees Trust	1191370	1.66
	Directors & their Relatives	110057	0.15
	Employees / Retired Employees / General Public	468640	0.65
	Subtotal (2)	**1820067**	**2.53**
	Total (1+2)	**71970238**	**100.00**

XIV. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2019

Number of Shares	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 to 100	61	14.0229	4931	0.0068
101 to 500	245	56.3218	66991	0.0930
501 to 1000	34	7.8160	26694	0.0370
1001 to 2000	19	4.3678	29184	0.0405
2001 to 3000	6	1.3793	15116	0.0210
3001 to 4000	8	1.8390	28497	0.0395
4001 to 5000	4	0.9195	18548	0.0257
5001 to 10000	20	4.5977	136096	0.1891
10001 & above	38	8.7356	71644181	99.5469
Total	**435**	**100.0000**	**71970238**	**100.0000**

XV. Address for Correspondence:

Afcons Infrastructure Limited
16, Shah Industrial Estate,
Veera Desai Road, Azad Nagar, P.O.,
Andheri (W), Mumbai – 400053
Tel.no.: +91 22 67191000
Fax.no.: +91 2226730027 /1031/0047
Website: www.afcons.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Afcons Infrastructure Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Afcons Infrastructure Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, in which are incorporated 14 jointly controlled operations as referred to in Note 36 and 2(B) in the Standalone financial statements.
2. 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 12 of the Other Matter paragraph below is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention to Note 42 of the standalone financial statements, regarding delay in recovery of amount Rs. 309.72 Crore from a customer in respect of a project, disclosed under Non-current Assets, which is dependent upon finalization of arbitration award in favour of the Company. Further, the Company has also preferred other claims in respect of the same project as mentioned in the note.
5. We draw attention to Note 39 (b) of the standalone financial statements, regarding delay in recovery of amount Rs. 888 Crore disclosed under Current Asset from a customer, which is dependent upon finalization of arbitration award in favour of the Company. In addition, the Company has preferred two claims in respect of the same project as mentioned in the note.

   We draw your attention to the following paragraph included in the audit report on the standalone financial statements of Transtonnelstroy Afcons (a joint control operation) issued by an independent firm of chartered accountants vide its report dated June 24, 2019.

   "We draw attention to note no. 32 to the Ind AS financial statements, which describes the uncertainties relating to the outcome of the negotiation/arbitration/ Dispute Adjudication Board proceedings in respect of variations recognised by the joint venture in current and earlier year on account of cost overrun due to unforeseen geological conditions, delays in handing over of land, change in scope of work, etc. Based on the Management's estimates of the timing and amount of recoverability which is supported by legal opinion and technical evaluation, the amounts recognised as amount due from customers under construction contract as stated above are considered as good and fully recoverable by the management."

   Our opinion is not modified in respect of these matters.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance, conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

13. We did not audit the standalone financial statements of 13 jointly controlled operation included in the standalone financial statements of the Company, which constitute total assets of Rs 2,707.44 Crore and net assets of Rs 7.68 Crore as at March 31, 2019, total revenue of Rs. 2,543.29 Crore, total comprehensive income (comprising of profit / loss and other comprehensive income) of Rs. 39.34 Crore and net cash outflows amounting to Rs. (5.76) Crore for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports has been furnished to us, and our opinion on the standalone financial statements (including other information) to the extent they have been derived from such standalone financial statements is based solely on the report of such other auditors.
14. We did not audit the standalone financial statements of 1 jointly controlled operation included in the standalone financial statements of the Company, which constitute total assets of Rs. Nil and net assets of Rs. Nil as at March 31, 2019, total revenue of Rs. Nil , total comprehensive income comprising of profit/ loss and other comprehensive income of Rs. 0.05 Crore and net cash flows amounting to Rs Nil for the year then ended. The unaudited financial information has been provided to us by the management, and our opinion on the standalone financial statements of the Company to the extent they relate to this jointly control operation is based solely on such unaudited financial information furnished to us.

    Our opinion is not modified in respect of above matters

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
    (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and 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 specified under Section 133 of the Act.
    (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit 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 30, 38, 39, 41, 42 and 43 to the financial statements;
        ii. The Company has long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses.
        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse
Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Sarah George
Partner
Membership No: 045255

Place : Mumbai
Date : 25th June, 2019

For HDS & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100144

Suresh K. Joshi
Partner
Membership No. 030035

Place : Mumbai
Date : 24th June, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of Afcons Infrastructure Limited on the standalone financial statements for the year ended March 31, 2019.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Afcons Infrastructure Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date, reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to 14 jointly controlled operations.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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.

Other Matter

9. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to 14 jointly controlled operations.

For Price Waterhouse
Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Sarah George
Partner
Membership No: 045255

Place : Mumbai
Date : 25th June, 2019

For HDS & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100144

Suresh K. Joshi
Partner
Membership No. 030035

Place : Mumbai
Date : 24th June, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Afcons Infrastructure Limited on the standalone financial statements as of and for the year ended March 31, 2019.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. Also refer note 40 of Standalone financial statements.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Though there are slight delay in a few cases. Also refer note 30 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, and value added tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the Statue	Nature of dues	Amount (INR)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Sales Tax	14,901,948	2015-16	Appellate Authority - up to Commissioner's level
Local sales Tax Acts applicable in respective States (West Bengal, Andhra Pradesh, Tamilnadu and Madhya Pradesh)	Sales Tax	5,510,804	Financial Years 1985 to 1990 and 1992 to 1999	Appellate Authority - up to Commissioner's level
Local sales Tax Acts applicable in respective States (West Bengal and Andhra Pradesh)	Sales Tax	282,357	Financial Years 1987 to 1989 and 1997 to 1998	Appellate Authority - Tribunal level
Local sales Tax Acts applicable in respective States (West Bengal and Andhra Pradesh)	Sales Tax	3,063,071	Financial Years 1999 to 2000	At High Court
Value Added Tax Acts applicable in respective States (Delhi, Karnataka, Madhya Pradesh, Maharashtra, Orissa and West Bengal.	Value Added Tax	13,355,002	Financial Years 2004 to 2005, 2007 to 2009 and 2012 to 2016	Appellate Authority - up to Commissioner's level
The Finance Act 1994	Service Tax	1,110,736,084	Financial Years 2007 to 2015	Appellate Authority - Tribunal
The Finance Act 1994	Service Tax	431,540,495	Financial Years 2007 to 2011	At High Court
The Income tax Act, 1961	Income Tax	208,635,313	Financial Years 2011 to 2015	Appellate Authority - Tribunal

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Section 133 of the Act, read with Rule 7 of the Indian Accounting Standard (Ind AS) 24 Related Party Disclosures specified under Section 133 of the Act.

xiv The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Sarah George
Partner
Membership No: 045255

Place : Mumbai
Date : 25th June, 2019

For HDS & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100144

Suresh K. Joshi
Partner
Membership No. 030035

Place : Mumbai
Date : 24th June, 2019

Balance Sheet as at 31st March, 2019

₹ in Crores

	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	1,657.76	1,563.92
	(b) Capital work-in-progress		30.54	21.74
	(c) Intangible assets	3.B	1.13	1.64
	(d) Financial assets			
	(i) Investments	4	12.06	12.00
	(ii) Trade receivables	5	234.21	125.04
	(iii) Other financial assets	7	129.53	781.90
	(e) Non current tax assets (net)	11	122.96	71.64
	(f) Other non-current assets	8	1,509.83	90.00
	Total Non-current Assets		**3,698.02**	**2,667.88**
2	**Current assets**			
	(a) Inventories	9	817.90	497.94
	(b) Financial assets			
	(i) Trade receivables	5	1,862.51	1,327.91
	(ii) Cash and cash equivalents	10	209.84	65.54
	(iii) Bank balances other than (ii) above	10.1	18.73	17.88
	(iv) Loans	6	71.51	159.31
	(v) Other financial assets	7	201.32	2,585.19
	(c) Other current assets	8	2,877.61	280.19
	Total Current Assets		**6,059.42**	**4,933.96**
	Total Assets (1+2)		**9,757.44**	**7,601.84**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12	521.97	521.97
	(b) Other equity	13	1,211.35	1,087.78
	Equity attributable to shareholders of the Company		**1,733.32**	**1,609.75**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	650.35	755.72
	(ii) Trade payables	15	381.29	195.75
	(iii) Other financial liabilities	16	107.73	209.92
	(b) Provisions	18	24.38	7.76
	(c) Deferred tax liabilities (net)	21	165.11	147.98
	(d) Other non-current liabilities	17	1,615.63	763.09
	Total Non-current Liabilities		**2,944.49**	**2,080.22**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	794.19	753.91
	(ii) Trade payables	15	2,226.89	1,567.58
	(iii) Other financial liabilities	16	205.93	696.47
	(b) Provisions	18	12.98	26.75
	(c) Current tax liabilities (net)	19	12.13	11.21
	(d) Other current liabilities	17	1,827.51	855.95
	Total Current Liabilities		**5,079.63**	**3,911.87**
	Total Liabilities (A+B)		**8,024.12**	**5,992.09**
	Total Equity and Liabilities (1+2)		**9,757.44**	**7,601.84**
	See accompanying notes 1 to 45 forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

P.N.KAPADIA
Director
Din:00078673

N.D.KHURODY
Director
Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

Statement of Profit and Loss for the year ended 31st March, 2019

₹ in Crores

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1	Revenue from operations	22	7,731.90	5,805.31
2	Other income	23	203.39	147.76
3	**Total income (1 + 2)**		**7,935.29**	**5,953.07**
4	**Expenses**			
	(a) Cost of material consumed	24	1,788.24	1,680.38
	(b) Cost of construction	24.1	4,066.57	2,161.54
	(c) Cost of traded Goods	25	37.20	64.72
	(d) Employee benefits expense	26	694.77	632.58
	(e) Finance costs	27	276.73	301.97
	(f) Depreciation and amortisation expense	28	235.04	195.20
	(g) Other expenses	29	626.88	707.83
	Total expenses		**7,725.43**	**5,744.22**
5	**Profit before tax (3 - 4)**		**209.86**	**208.85**
6	**Tax expense:**	21		
	(a) Current tax		116.27	56.48
	(b) Deferred tax		(35.96)	26.08
	(c) Tax expense/(income) relating to prior year (net)		4.50	(2.56)
			84.81	**80.00**
7	**Profit for the year (5 - 6)**		**125.05**	**128.85**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investment measured at FVTOCI		0.06	7.72
	(b) Remeasurements of defined benefit plans		(3.84)	(0.85)
	(c) Deferred tax on remeasurement of defined benefit plans		1.34	0.30
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation		4.19	0.27
	(b) Income tax relating to items that will not be reclassified to profit or loss		#	#
	# Amount is below the rounding off norms adopted by the Company			
			1.75	**7.44**
9	**Total comprehensive income for the year (7 + 8)**		**126.80**	**136.29**
10	**Earnings per share (Face value of ₹ 10 each):**	32		
	(a) Basic		17.37	17.90
	(b) Diluted		3.67	3.78
	See accompanying notes 1 to 45 forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

P.N.KAPADIA
Director
Din:00078673

N.D.KHURODY
Director
Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

Statement of changes in equity for the year ended 31st March, 2019

a) Equity share capital

₹ in Crores

Balance as at 1st April, 2018	71.97
Changes in equity share capital during the year	-
Balance as at 31st March, 2019	**71.97**

b) Preference share capital

₹ in Crores

Balance as at 1st April, 2018	450.00
Changes in preference share capital during the year	-
Balance as at 31st March, 2019	**450.00**

c) Other Equity

₹ in Crores

Particulars	Reserve and surplus							Items of other comprehensive income		Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contingencies reserve	Debenture redemption reserve	General reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income	
Balance as at 1st April, 2017	0.19	0.13	10.28	8.00	42.50	65.70	844.73	(1.23)	11.57	**981.87**
Profit for the year	-	-	-	-	-	-	128.85	-	-	**128.85**
Other comprehensive income for the year	-	-	-	-	-	-	(0.55)	0.27	7.72	**7.44**
Dividends including tax thereon	-	-	-	-	-	-	(30.38)	-	-	**(30.38)**
Transfer to retained earning	-	-	-	-	18.75	-	(18.75)	-	-	**-**
Balance as at 31st March, 2018	**0.19**	**0.13**	**10.28**	**8.00**	**61.25**	**65.70**	**923.90**	**(0.96)**	**19.29**	**1,087.78**
Balance as at 1st April, 2018	0.19	0.13	10.28	8.00	61.25	65.70	923.90	(0.96)	19.29	**1,087.78**
Adjustment for Ind As 115	-	-	-	-	-	-	27.00	-	-	**27.00**
Restated Opening balance as at 1st April, 2018	0.19	0.13	10.28	8.00	61.25	65.70	950.90	(0.96)	19.29	**1,114.78**
Profit for the year	-	-	-	-	-	-	125.05	-	-	**125.05**
Other comprehensive income for the year	-	-	-	-	-	-	(2.50)	4.19	0.06	**1.75**
Dividends including tax thereon	-	-	-	-	-	-	(25.25)	-	-	**(25.25)**
Transfer (from) / to debenture redemption reserve	-	-	-	-	(18.75)	-	18.75	-	-	**-**
Other adjustments	-	-	-	-	-	-	(4.98)	-	-	**(4.98)**
Balance as at 31st March, 2019	**0.19**	**0.13**	**10.28**	**8.00**	**42.50**	**65.70**	**1,061.97**	**3.23**	**19.35**	**1,211.35**

In terms of our report attached

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

P.N.KAPADIA
Director
Din:00078673

N.D.KHURODY
Director
Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

Cash Flow Statement for the year ended 31st March, 2019

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash flow from operating activities		
Profit after tax	125.05	128.85
Adjustments for :		
Income tax expense recognised in profit or loss	84.81	80.00
Depreciation and amortisation	235.04	195.20
Loss on sale of fixed assets *(net)*	4.16	2.84
Dividend income recognised in profit or loss	(49.89)	(1.25)
Interest income recognised in profit or loss	(101.13)	(98.98)
Insurance claim received	(7.65)	(9.47)
Finance cost	276.73	301.97
Remeasurement of defined benefit liabilities / (assets) through OCI	(2.50)	(0.55)
Bad / irrecoverable debtors / unbilled revenue / advances / duty scrip w/off	45.53	171.19
Provision for doubtful debtors / advances no longer required written back	(0.36)	(3.05)
Creditors / excess provision written back	(3.06)	(17.46)
Provision for expected credit loss	6.36	(0.04)
Net (gain) / loss arising on financials assets measured at fair value through profit or loss	-	(0.03)
Provision for projected losses on contract (net)	1.50	-
Operating profit before working capital changes	**614.59**	**749.22**
Decrease / (increase) in inventories	(319.96)	17.36
(Increase) in trade receivables	(650.13)	(611.48)
(Increase) in loans and advances and other assets	(945.84)	(338.54)
Increase in trade, other payables and provisions	2,104.06	1,008.53
Cash from Operations	**802.72**	**825.09**
Direct taxes - (paid) (including interest and refunds)	(118.08)	(56.08)
Net Cash flow from operating activities	**684.64**	**769.01**
Cash flow from investing activities		
Payment for property, plant and equipment	(352.07)	(176.14)
Proceeds from disposal of property, plant and equipment	7.19	6.79
Dividend received	49.89	1.25
Proceeds from sale of Investment	-	104.97
Investment in other bank balance (made) / redeemed	(0.85)	1.74
Interest received	138.35	11.53
Insurance claim received	7.65	9.47
Net Cash flow (used in) investing activities	**(149.84)**	**(40.39)**
Cash flow from financing activities		
Proceeds from long-term borrowings	168.80	100.29
Repayment of long-term borrowings	(295.55)	(142.63)
(Repayment) / proceeds from short term borrowings - net	40.28	(309.36)
Finance cost	(278.78)	(302.63)
Dividend paid on equity shares (including tax thereon) (Interim)	(25.19)	(30.32)
Dividend paid on preference shares (including tax thereon)	(0.06)	(0.06)
Net Cash flow (used in) financing activities	**(390.50)**	**(684.71)**
Net (decrease) in cash and cash equivalents	**144.30**	**43.91**
Cash and cash equivalents at the beginning of the year	65.54	21.63
Cash and cash equivalents at the end of the year	**209.84**	**65.54**

Notes

1. The above Cash flow statement has been prepared under the "Indirect Method" set out in Ind As 7 '*Cash Flow Statements*'.
2. Figures relating to previous year have been recast where necessary to conform to figures of the current year.

Cash Flow Statement for the year ended 31st March, 2019 (Continued)

Net debt reconciliation

₹ in Crores

Particulars	31st March, 2019	31st March, 2018
Cash and Cash equivalent	209.84	65.54
Liquid investments	18.73	17.88
Current borrowings	(928.51)	(911.66)
Non-current borrowings	(650.35)	(755.72)
Net Debt	**(1,350.29)**	**(1,583.96)**

Particulars	Other assets		Liabilities from financing activities			Total
	Cash and bank overdraft	Liquid investment	Finance lease obligations	Non-current borrowings	Current borrowings	
Net Debt as on 1st April,2017	**21.63**	**19.62**	**-**	**(764.32)**	**(1,255.42)**	**(1,978.49)**
Cash flows	43.91	(1.74)	-	42.34	309.36	**393.87**
acquisitions - finance leases	-	-	-	-	-	**-**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	-	-	(68.86)	(192.42)	**(261.28)**
Interest paid	-	-	-	68.86	193.08	**261.94**
Net debt as on 31st March,2018	**65.54**	**17.88**	**-**	**(721.98)**	**(945.40)**	**(1,583.96)**
Cash flows	144.30	0.85	-	126.75	(40.28)	**231.62**
acquisitions - finance leases	-	-	-	-	-	**-**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	-	-	(64.47)	(153.33)	**(217.80)**
Interest paid	-	-	-	64.47	155.38	**219.85**
Net debt as on 31st March,2019	**209.84**	**18.73**	**-**	**(595.23)**	**(983.63)**	**(1,350.29)**

In terms of our report attached

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

For and on behalf of the Board of Directors

S.P.MISTRY
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Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

Notes forming part of the financial statements as at and for the year ended 31st March, 2019

Note 1: General information

Afcons Infrastructure Limited (the "Company" or "Afcons") is a limited company incorporated in India. Its parent company is Shapoorji Pallonji Company Private Limited.

The address of its registered office is "Afcons House", 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Company and its subsidiaries and control operations (the "Company") are infrastructure activities. 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 and gas, LNG tanks and other general civil engineering projects both in India and overseas.

Note 2: Significant Accounting Policies

i) Basis of preparation and presentation

The Balance Sheet as at March 31, 2019, the Statement of Profit and loss and Cash Flow Statement for the year ended March 31, 2019 along with Notes forming part of "Standalone Financial Statements" (together known as "standalone financial statements") of the Company has been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended time to time) and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs.

ii) Current versus non-current classification

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

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

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

All other liabilities are classified as non-current.

iii) New standards or interpretations adopted by the Company

The Company has applied following standards and amendments for the first time for the annual reporting period commencing April 1, 2018:

- Ind AS 115, Revenue from Contracts with Customers
- Appendix B, Foreign Currency Transactions and Advances Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange Rates
- Amendment to Ind AS 12, Income Taxes

Most of the amendment listed above did not have impact on the amount recognised in prior period. Company has applied retrospective modified approach for Ind AS 115, Revenue from Contract with Customers, except this amendment, non-of the above listed amendments have significant impact on the current or future period.

iv) New standards or interpretations issued by but not yet effective

The Ministry of Corporate Affairs issued the companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116, 'Leases'. This will replace Ind AS 17, Leases. Ind AS 116 sets out the principles of recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases on their balance sheet. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and 'short term' leases. At the commencement date of a lease, lessees are required to recognise a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-to-use asset.

The new standard is mandatory for financial years commencing on or after 1 April 2019. The standard permits either full retrospective or a modified retrospective approach for the adoption. The Company plans to adopt Ind AS 116 using modified retrospective approach.

The Company is in the process of identifying and implementing changes to our processes to meet the standard's updated reporting and disclosure requirements, as well as evaluating the internal control changes required, if any, during the implementation and continued application of new standard. The Company will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as on the date of initial application, and lease contracts for which the underlying asset is of low value.

v) Historical cost convention

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

2.1 Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.2 Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Company undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;
b) Its liabilities, including its share of any liabilities incurred jointly;
c) Its revenue from the sale of the output arising from the joint operation;
d) Its share of the revenue from the sale of the output by the joint operation and
e) Its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues and expenses.

When a Company transacts with a joint operation in which a Company is a joint operator (such as a sale or contribution of assets), the Company is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Company's standalone financial statements only to the extent of the other parties' interests in the joint operation.

When a Company transacts with a joint operation in which a Company is a joint operator (such as a purchase of assets), the Company does not recognise its share of the gains and losses until it resells those assets to a third party.

2.3 Revenue recognition

Revenue from contracts with customers is recognized in accordance with Ind AS 115 when the customer obtains control of the goods or services, and is thus able to direct the use and obtain substantially all the remaining benefits from the goods or services, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account our customer's creditworthiness. Revenue is recognized at the amount of the transaction price, i.e. the amount of the consideration that the Company is expected to collect in exchange for the transfer of goods and services arranged. Variable consideration is included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Ind AS 115 sets forth a consistent, five-step model for determining the amount of revenue to be reported, which is generally applicable for all customer contracts.

The Company derives revenue principally from following streams:

- Sale of products
- Construction contracts

Sale of products:

Sale of products by Company consists of supply of construction materials. Revenue from sale of products is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control of the goods as per the incoterms. In determining the transaction price for sale of product, the Company considers the effects of variable consideration, if any. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer. Advance payments received from the customers is not considered as having a significant financing component since it is taken mainly as a security against commitment from customer towards the sale of product.

Construction contracts:

The Company recognises revenue from Engineering, Procurement and Construction contracts ('EPC') over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involves complex integration of goods and services.

The performance obligations are satisfied over time as the work progresses. The Company recognises revenue using input method (i.e. percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Company estimates the amount of consideration to which it will be entitled in exchange for work performed.

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgement. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discount, if any. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Consideration payable to a customer includes cash amounts that the Company pays, or expects to pay, to a customer (or to other parties that purchase the Company's goods or services from the customer). The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to Company.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable as per contractual term. Contractual retention amounts billed to customers are generally due upon expiration of the contract period.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for the Company's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A contract liability is recognised for advance payments from the customers and it is not considered as having a significant financing component since it is taken mainly for the purpose of mobilisation of resources and as a security against commitment from customer towards the project.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

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.

The Company evaluates whether it is acting as a principal or agent by considering a number of factors, including, among other things, whether the Company is the primary obligor under the arrangement, has inventory risk, has customer's credit risk and has latitude in establishing prices. Where the Company is the principal in the transaction, revenue and related costs are recorded at their gross values. Where the Company is effectively the agent in the transaction, revenue and related costs are recorded at their net values.

2.3.1 Dividend:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.3.2 Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

2.4 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.5 Foreign currencies

(i) Functional and presentation currency

Items included in the standalone financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements is presented in Indian Rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

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

Any exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements until the year ended March 31, 2016, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting the financial statements, the assets and liabilities of the Company's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, a disposal involving loss of control over a foreign operation, or a partial disposal of an interest in a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a foreign operation that does not result in the Company losing control over the foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Company losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognized in the financial statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

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

Provision for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the reporting date.

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.8.1 Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2.8.2 Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax is realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in branches and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in branches and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income.

2.8.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.9 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. It also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Replacement cost of an item of property, plant and equipment is capitalised if replacement meets the recognition criteria.

Carrying amount of items replaced is derecognised. Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised (if they meet the asset recognition criteria) and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipments - 5 years

Freehold land is not depreciated

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed 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, Floating Equipments - 20 Years.

Tunnel Boring Machines - Length of the tunnel bored over life of the construction project for where it is used.

Cost of shuttering materials, issued to jobs, is charged off equally over a period of four years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.9.1 Capital work-in-progress

Property, plant and equipment that are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Useful life is as below:

Computer software - 5 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses from derecognition of an intangible assets, measured at the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

2.11 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost is determined on the basis of weighted average method.

2.13 Provisions and contingent liabilities

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

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

A contingent liability is disclosed where there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are not recognised. Information on contingent liabilities is disclosed in the notes to standalone financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

2.14 Financial instruments

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

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.15 Financial assets

Classification and subsequent measurement of financial assets

2.15.1 Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2.15.2 Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Debentures, Bonds etc. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in investment income using the effective interest rate method.

Fair value through other comprehensive income

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

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through OCI, are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Equity instruments

Investments in equity instruments at FVTPL

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Cash and cash equivalents

For the purpose of presentation in statement of cash flows,cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

2.15.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.15.4 Effective interest method

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognised in the statement of profit and loss.

2.15.5 De-recognition of financial assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

2.15.6 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

2.16 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Treasury shares

In the standalone financial statements, when any entity within the Company purchases the Company's ordinary shares, the consideration paid, including any directly attributable incremental cost, is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is transferred to/ from share premium.

2.16.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.2 De-recognition of financial liabilities

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

2.16.3 Foreign exchange gains and losses

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

2.17 Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

2.18 Government grants, subsidies and export incentives

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

2.19 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year.

Ordinary shares to be issued upon conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

2.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 35 for segment information presented.

2.21 Credit Risk

The Company assess on a forward looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Company considers historical credit loss experience and adjusted for forward-looking information. Note 44.8 details how the Company/company determines whether there has been a significant increase in credit risk.

2.(A). Critical estimates and judgements

a) Revenue recognition

The Company's revenue recognition policy, which is set out in Note 2.3, is central to how the Company values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of long-term construction services, which require assessments and judgements to be made on changes in scope of work and claims and variations.

Across construction services there are several long-term and complex projects where the Company has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract.

- Determination of stage of completion;
- Estimation of project completion date;
- Provisions for foreseeable losses; and
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue and costs in respect of construction contracts are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

b) Taxation

The Company is subject to tax in a number of jurisdictions and judgement is required in determining the worldwide provision for income taxes. The Company provides for future liabilities in respect of uncertain tax positions where additional tax may become payable in future periods and such provisions are based on management's assessment of exposures.

The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

c) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the Company is involved it is not expected that such contingencies will have material effect on its financial position or profitability.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

d) Useful lives of property, plant and equipment

As described at note 2.9 above, the Company reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Recoverable value of recognized receivables

The Company has recognised trade receivables with a carrying value of ₹ 2,096.72 Crores (as at March 31, 2018: ₹ 1,452.95 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The Company has a policy of assessing the creditworthiness of potential customers before entering into transactions by performing a credit evaluation on the financial condition of accounts receivable using independent ratings where available or by assessment of the customer's credit quality based on its financial position, past experience and other factors. The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the Company.

f) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

g) Retirement benefit obligations

Details of the Company's defined benefit pension schemes are set out in Note 2.7, including tables showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

h) Arbitration claims

The forecast profit on contracts includes key judgements over the expected recovery of costs arising from the following: variations to the contract requested by the customer, compensation events, and claims made by the Company for delays or other additional costs for which the customer is liable. These claims could result in disputes that get settled through an arbitration process wherein the outcome of these awards including the timing and the amount (including interest thereon) requires a reasonable degree of estimation. The inclusion of these amounts requires estimation of their recoverability and could impact the level of profit or loss recognized by the Company.

i) Classification of assets / liabilities as Current and Non-current

The balance sheet presents current and non-current assets and current and non-current liabilities, as separate classifications. This classification involves managements estimate on expected realization of assets and settlement of liabilities within 12 months after the reporting period.

j) Classification of Joint Arrangement as a Joint Operation /Joint Venture

A Joint Operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When an entity undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;

b) Its liabilities, including its share of any liabilities incurred jointly;

c) Its revenue from the sale of the output arising from the joint operation;

d) Its share of the revenue from the sale of the output by the joint operation and

e) Its expenses, including its share of any expenses incurred jointly.

Accordingly, the Company has evaluated all its joint arrangements on the basis of the contractual arrangements entered into between the parties to the joint arrangements for execution of the project irrespective of the legal form.

Note No 2.(B). Details of Joint Operations at the end of the reporting period are as follows.

Name of joint operations	Country of incorporation	Percentage holding-share
Transtonnelstroy Afcons Joint Venture	India	99%
Dahej Standby Jetty Project undertaking	India	100%
Afcons Gunanusa Joint Venture	India	100%
Afcons Pauling Joint Venture	India	100%
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	49%
Afcons Sibmost Joint Venture	India	100%
Afcons Vijeta PES Joint Venture	India	100%
Afcons SMC Joint Venture	India	100%
Afcons - Vijeta Joint Venture (w.e.f. 2nd August, 2017)	India	100%
Afcons JAL Joint venture (w.e.f. 21st August, 2017)	India	100%
Afcons KPTL Joint Venture (w.e.f. 24th October, 2017)	India	51%

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 3. Property, plant and equipments

A. Tangible assets

₹ in Crores

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2018	Additions	Disposals	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Depreciation for the year	Disposals	Balance as at 31st March, 2019	Balance as at 31st March, 2019
(a) Freehold land	203.00	1.47	-	204.47	-	-	-	-	204.47
(b) Buildings	41.85	0.49	-	42.34	16.57	0.98	#	17.55	24.79
(c) Plant and equipment	1,821.93	221.55	(11.93)	2,031.55	807.01	149.33	(4.44)	951.90	1,079.65
(d) Furniture and fixtures	41.68	7.95	(2.24)	47.39	15.89	3.97	(1.15)	18.71	28.68
(e) Vehicles	23.17	13.07	-	36.24	9.07	3.83	-	12.90	23.34
(f) Office equipments	46.68	6.88	(1.23)	52.33	30.86	5.41	(1.09)	35.18	17.15
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	218.26	-	-	218.26	42.97	13.88	-	56.85	161.41
(i) Laboratory equipments	2.53	-	-	2.53	0.62	0.10	-	0.72	1.81
(j) Shuttering materials	117.13	69.68	(0.39)	186.42	60.32	46.14	-	106.46	79.96
(k) Accessories and attachments	56.84	17.74	(2.24)	72.34	25.84	10.00	-	35.84	36.50
Total	**2,575.86**	**338.83**	**(18.03)**	**2,896.66**	**1,011.94**	**233.64**	**(6.68)**	**1,238.90**	**1,657.76**

Previous year

₹ in Crores

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2017	Additions	Disposals	Balance as at 31st March, 2018	Balance as at 1st April, 2017	Depreciation for the year	Disposals	Balance as at 31st March, 2018	Balance as at 31st March, 2018
(a) Freehold land	203.00	-	-	203.00	-	-	-	-	203.00
(b) Buildings	34.63	7.31	(0.09)	41.85	15.70	0.87	#	16.57	25.28
(c) Plant and equipment	1,781.59	92.70	(52.36)	1,821.93	715.53	135.02	(43.54)	807.01	1,014.92
(d) Furniture and fixtures	36.66	5.67	(0.65)	41.68	12.66	3.53	(0.30)	15.89	25.79
(e) Vehicles	19.50	4.26	(0.59)	23.17	7.87	1.60	(0.40)	9.07	14.10
(f) Office equipments	39.40	8.26	(0.98)	46.68	27.11	4.64	(0.89)	30.86	15.82
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	220.18	-	(1.92)	218.26	30.42	14.38	(1.83)	42.97	175.29
(i) Laboratory equipments	2.00	0.53	-	2.53	0.53	0.09	-	0.62	1.91
(j) Shuttering materials	90.83	26.30	-	117.13	34.93	25.39	-	60.32	56.81
(k) Accessories and attachments	43.18	13.66	-	56.84	17.04	8.80	-	25.84	31.00
Total	**2,473.76**	**158.69**	**(56.59)**	**2,575.86**	**864.58**	**194.32**	**(46.96)**	**1,011.94**	**1,563.92**

Note No. 3. Property, plant and equipments (continued)

Notes:

(1) Additions for the year includes foreign exchange capitalised during the year amounting to ₹ Nil (previous year ₹ Nil).

(2) Freehold land with a carrying amount of ₹ 204.47 crores (as at 31st March 2018 ₹ 203.00 crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Buildings carrying amount of ₹ 24.79 crores (as at 31st March 2018 ₹ 25.28 crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Movable Plant and machinery, construction equipments, machinery spares, tools and accessories with a carrying amount of ₹ 1,296.85 Crores (as at 31st March 2018 ₹ 1,234.63 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No.14.

(3) # Amount is below the rounding off norms adopted by the Company.

B. Intangible assets

₹ in Crores

Particulars	Gross block (At cost)				Amortisation				Net Block
	Balance as at 1st April, 2018	Additions	Disposals	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Amortisation for the year	Disposals	Balance as at 31st March, 2019	Balance as at 31st March, 2019
Computer software - acquired	12.04	0.89	-	12.93	10.40	1.40	-	11.80	1.13
Total	**12.04**	**0.89**	**-**	**12.93**	**10.40**	**1.40**	**-**	**11.80**	**1.13**

Previous year

₹ in Crores

Particulars	Gross block (At cost)				Amortisation				Net Block
	Balance as at 1st April, 2017	Additions	Disposals	Balance as at 31st March, 2018	Balance as at 1st April, 2017	Amortisation for the year	Disposals	Balance as at 31st March, 2018	Balance as at 31st March, 2018
Computer software - acquired	11.70	0.34	-	12.04	9.52	0.88	-	10.40	1.64
Total	**11.70**	**0.34**	**-**	**12.04**	**9.52**	**0.88**	**-**	**10.40**	**1.64**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No. 4. Non-current investments

		Particulars	Face Value	As at 31st March, 2019 Quantity	As at 31st March, 2019 Amount ₹ in Crores	As at 31st March, 2018 Quantity	As at 31st March, 2018 Amount ₹ in Crores
A.		**Investments at cost**					
		Unquoted investments (fully paid)					
	(a)	Investment in equity instruments :					
		(i) of subsidiaries					
		Hazarat & Co.Pvt.Ltd.	₹ 10	2,02,610	0.20	2,02,610	0.20
		Afcons Offshore & Marine Services Pvt. Ltd.	₹ 10	1,00,000	0.26	1,00,000	0.26
		Afcons Corrosion Protection Pvt. Ltd.	₹ 10	80,000	0.06	80,000	0.06
		Afcons Construction Mideast LLC.*	AED 1000	147	0.18	147	0.18
		Afcons Infrastructures Kuwait for Building, Road & Marine Contracting WLL.*	KD 1200	49	0.96	49	0.96
		Afcons Mauritius Infrastructure Ltd.	Euro 1	11,00,000	9.17	11,00,000	9.17
		Acons Overseas Singapore Pte. Ltd.	SGD 1	50,000	0.24	50,000	0.24
		Afcons Saudi Constructions LLC	SAR 100	4,750	0.80	4,750	0.80
		(ii) of associates					
		Afcons (Mideast) Constructions & Investments Pvt. Ltd.	₹ 100	1	#	1	#
					11.87		11.87
		Less: Provision for diminution in value of investment ^			0.36		0.36
					11.51		**11.51**
		^ Provision is for Afcons Saudi Constructions LLC					
		* Subsidiary on the basis of control on the composition of the board of directors.					
		Investments carried at Cost (A)			**11.51**		**11.51**
B.		**Investment in equity instruments at fair value through other comprehensive income**					
		Quoted investments (fully paid)					
	(a)	Investment in equity instruments :					
		Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	0.52	40,072	0.44
		Hindustan Construction Co. Ltd.	₹ 1	2,000	#	2,000	#
		Simplex Infrastructures Ltd.	₹ 2	500	0.01	500	0.03
		ITD Cementation India Ltd.	₹ 1	1,000	0.02	1,000	0.02
		Gammon India Ltd.	₹ 2	250	#	250	#
		Total aggregate quoted investments			**0.55**		**0.49**
		Unquoted investments (fully paid)					
	(b)	Investment in equity instruments :					
		Simar Port Ltd.	₹ 10	1,000	#	1,000	#
		Total aggregate unquoted investments			**#**		**#**
		# Amount is below the rounding off norms adopted by the Company.					
		Total investments carrying value (A+B)			**12.06**		**12.00**
		Aggregate amount of quoted investments			0.30		0.30
		Aggregate market value of quoted investments			0.55		0.49
		Aggregate carrying value of unquoted investments			11.51		11.51

Category-wise other investments - as per Ind AS 109 classification: ₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial assets measured at FVTOCI - equity instruments	0.55	0.49
Financial Assets measured at amortised cost	11.51	11.51
	12.06	**12.00**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 5. Trade receivables

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
i) Unsecured, considered good	1,862.51	234.21	1,327.91	125.04
ii) Doubtful	-	26.95	-	20.59
	1,862.51	261.16	1,327.91	145.63
Less: Allowance for expected credit losses	-	26.95	-	20.59
Total	**1,862.51**	**234.21**	**1,327.91**	**125.04**

Note No. 5.1 - Movement in the expected credit loss allowance

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Balance at beginning of the year	-	20.59	-	20.63
Add: Created during the year	-	6.72	-	1.78
Less: Utilised during the year	-	0.36	-	1.82
Balance at end of the year	**-**	**26.95**	**-**	**20.59**

Note No 6. Loans

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Advances to related parties (unsecured, considered good)				
To Subsidiaries / fellow subsidiaries	54.01	-	112.21	-
To Joint operations	17.50	-	47.10	-
Total	**71.51**	**-**	**159.31**	**-**

These financial assets are carried at amortised cost.

Note No 7. Other financial assets

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Amounts due from customer under construction contracts				
Unsecured, considered good (Refer note 7.1)	-	-	2,358.79	655.79
(b) Interest on trade receivables as per arbitration awards	180.65	117.76	219.41	116.22
(c) Others	14.67	-	0.38	-
(d) Deposits (unsecured, considered good)				
(i) Security deposits	5.70	10.46	6.53	8.82
(ii) Other deposits	0.30	1.31	0.08	1.07
	6.00	11.77	6.61	9.89
(e) Other loans and advances (doubtful)	-	0.16	-	0.16
Less: provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
Total	**201.32**	**129.53**	**2,585.19**	**781.90**

Note No 7.1 Amounts due from (to) customer under construction contracts

₹ in Crores

Particulars	As at 31st March, 2018
Contracts in progress at the end of the reporting period:	
Construction cost incurred plus recognised profits less recognised loss to date	19,869.90
Less : Progress billings	17,252.69
	2,617.21
Recognised and included in the financial statements as amounts due :	
- from customers under construction contracts	3,014.58
- to customers under construction contracts	(397.37)
	2,617.21

Contract assets, as disclosed in current year under "Other non-current & current assets" representing "Amount due from customers under construction contracts" have been presented as part of "other financial assets"in previous year.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 8. Other non-current and current assets

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Contract assets (Refer note 8.1)				
Amounts due from customer under construction contracts				
Unsecured, considered good	2,375.98	1,369.29	-	-
(b) Capital advances	20.32	-	16.77	-
(c) Prepayments	21.48	9.71	19.27	8.54
(d) Balances with government authorities				
(i) GST / VAT credit receivable	286.61	103.05	99.26	59.24
(ii) Service tax credit receivable	2.97	27.78	3.53	22.22
(iii) Duty credit receivables	2.45	-	1.57	-
	292.03	130.83	104.36	81.46
(e) Others				
(i) Advance to vendors and others	163.38	-	107.81	-
(ii) Other receivables	1.71	-	30.94	-
(iii) Advances to employees	2.71	-	1.04	-
	167.80	-	139.79	-
Total	**2,877.61**	**1,509.83**	**280.19**	**90.00**

Note No 8.1 Contract assets and liablities balance

₹ in Crores

Particulars	As at 31st March, 2019
Contracts in progress at the end of the reporting period:	
Construction cost incurred plus recognised profits less recognised loss to date	22,159.18
Less : Progress billings	19,078.96
	3,080.22
Recognised and included in the financial statements as amounts due :	
- from customers under construction contracts	3,745.27
- to customers under construction contracts	(665.05)
	3,080.22

Note No 9. Inventories

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Construction materials - at lower of cost and net realisable value		
Steel	470.39	242.12
Cement	11.52	8.22
Aggregate	37.43	35.25
Other construction material	93.50	37.38
	612.84	322.97
(b) Stores and spares - at lower of cost and net realisable value	205.06	174.97
	205.06	174.97
Total	**817.90**	**497.94**

Note No 10. Cash and cash equivalents

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Balances with banks	208.75	64.52
(b) Cash on hand	1.09	1.02
Total cash and cash equivalents	**209.84**	**65.54**

Note No 10.1. Bank balance other than cash and cash equivalents

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earmarked balance with banks		
- Unpaid dividend accounts	0.57	0.58
- Balances held as margin money or security against borrowings, guarantees and other commitments	0.10	0.26
- Other earmarked accounts / escrow account	2.73	0.52
Bank deposit with original maturity of more than three months but less than twelve months	15.33	16.52
Total	**18.73**	**17.88**

Note No 11. Non current tax assets (Net)

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance income tax (net of provisions ₹ 130.88 crores) (As at 31st March, 2018 ₹ 37.82.crores)	122.96	71.64
Total	**122.96**	**71.64**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 12. Share capital

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
(a) Authorised				
Equity shares of ₹ 10 each.	35,00,00,000	350.00	35,00,00,000	350.00
Preference shares of ₹ 10 each.	65,00,00,000	650.00	65,00,00,000	650.00
	1,00,00,00,000	**1,000.00**	**1,00,00,00,000**	**1,000.00**
(b) Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each. (Refer note 12.1 below)	7,19,70,238	71.97	7,19,70,238	71.97
0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10 each. (Refer note 12.2 below)	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.3 below)	25,00,00,000	250.00	25,00,00,000	250.00
0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.4 below)	10,00,00,000	100.00	10,00,00,000	100.00
Total	**52,19,70,238**	**521.97**	**52,19,70,238**	**521.97**

12.1. Rights, preferences and restrictions attached to equity shares:

(a) Rights to receive dividend as may be approved by the board / annual general meeting.

(b) 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.

(c) Every member shall be entitled to be present, and to speak and vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company.

12.2. Rights, preferences and restrictions attached to 0.01% Non Cumulative and non profit participatory convertible preference shares:

(a) 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.

(b) The terms of this Preference Shares have been varied with consent of the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018. whereby 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 12.3.(a) below.

(c) 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 this preference shares.

12.3. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 13th January, 2024 ("mandatory conversion date") i.e. on the sixteenth 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, 2019 (11th year from the date of issue) to 13th January, 2024 (16th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) On mandatory conversion date, the preference shares shall be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares.

(c) The preference shares shall be entitled to fixed non-cumulative 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.

(d) 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.

(e) 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 this preference shares.

12.4. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 21st March, 2024 ("mandatory conversion date") i.e. on the expiry of ten 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 21st March, 2019 (5th year from the date of issue) to 21st March, 2024 (10th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) 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).

(c) The preference shares shall be entitled to fixed non-cumulative 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.

(d) 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.

(e) 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 this preference shares.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 12. Share capital (Continued)

Note No 12.5. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Numbers (in crores)	₹ in crores
Equity shares outstanding as at 31st March, 2018	7.20	71.97
Add: Shares issued during the year	-	-
Equity shares outstanding as at 31st March, 2019	**7.20**	**71.97**

Note No 12.6. Details of shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Shapoorji Pallonji & Company Private Limited	4,91,01,742	68.23	4,90,83,282	68.20
Floreat Investments Limited	1,30,15,929	18.09	1,30,15,929	18.09
Renaissance Commerce Private Limited	40,16,250	5.58	40,16,250	5.58
Hermes Commerce Limited	40,16,250	5.58	40,16,250	5.58
0.01% Non cumulative and non profit participatory convertible preference shares				
Floreat Investments Limited	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Goswami Infratech Private Limited	25,00,00,000	100.00	25,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Shapoorji Pallonji & Company Private Limited	10,00,00,000	100.00	10,00,00,000	100.00

Note No 12.7. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	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 & Company Private Limited, the holding company	4,91,01,742	-	10,00,00,000	4,90,83,282	-	10,00,00,000
Subsidiaries of the holding company:						
Floreat Investments Limited	1,30,15,929	10,00,00,000	-	1,30,15,929	10,00,00,000	-
Renaissance Commerce Private Limited	40,16,250	-	-	40,16,250	-	-
Hermes Commerce Limited	40,16,250	-	-	40,16,250	-	-

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 13. Other Equity

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital reserve	0.19	0.19
Capital redemption reserve	0.13	0.13
Securities premium account	10.28	10.28
Contingencies reserve	8.00	8.00
Debenture redemption reserve	42.50	61.25
General reserve	65.70	65.70
Foreign currency translation reserve	3.23	(0.96)
Retained earnings	1,061.97	923.90
Reserve through other comprehensive income	19.35	19.29
Total	**1,211.35**	**1,087.78**

Movement in other equity

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Capital reserve		
Opening balance	0.19	0.19
Closing balance	0.19	0.19
(b) Capital redemption reserve		
Opening balance	0.13	0.13
Closing balance	0.13	0.13
(c) Securities premium account		
Opening balance	10.28	10.28
Closing balance	10.28	10.28
(d) Contingencies reserve		
Opening balance	8.00	8.00
Closing balance	8.00	8.00
(e) Debenture redemption reserve		
Opening balance	61.25	42.50
Add : Transferred (to) / from surplus in statement of profit and loss	(18.75)	18.75
Closing balance	42.50	61.25
(f) General reserve		
Opening balance	65.70	65.70
Closing balance	65.70	65.70
(g) Foreign currency translation reserve		
Opening balance	(0.96)	(1.23)
Add : transferred from surplus in statement of profit and loss	4.19	0.27
Closing balance	3.23	(0.96)
(h) Retained earnings		
Opening balance	923.90	844.73
Add: Adjustment for Ind AS 115 #	27.00	-
Restated Opening balance	950.90	844.73
Add: Profit for the year	125.05	128.85
Add: Other items classified to other comprehensive income	(2.50)	(0.55)
Add: Other Adjustment	(4.98)	-
Less: Appropriations		
Interim dividend on equity shares (₹ 3.50 per share) (previous Year ₹ 3.50 per share)	25.19	25.19
Dividend on preference shares (₹ 0.001 per share) (previous Year ₹ 0.001 per share)	0.05	0.05
Dividend distribution tax	0.01	5.14
Transfer (from) / to debenture redemption reserve	(18.75)	18.75
Closing balance	1,061.97	923.90
(i) Reserve for equity instruments through other comprehensive income		
Opening balance	19.29	11.57
Net fair value gain / (loss) on investments in equity instruments measured at FVTOCI	0.06	7.72
Closing balance	19.35	19.29
Total	**1,211.35**	**1,087.78**

See note 45 for details about restatement due to adoption of Ind As 115, Revenue from Contract with Customers.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 13. Other Equity (Continued)
Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies

Capital redemption reserve

As per the provisions of Companies Act, capital redemption reserve is created out of the general reserve for the amount equivalent to the paid up capital of shares bought back by the company.

Securities premium account

Where Company issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a “securities premium account” as per the provisions of applicable Companies Act. This reserve is utilized as per the provisions of the Companies Act.

Debenture redemption reserve

The Companies Act requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the company available for payment of dividend. The amounts credited to the debenture redemption reserve may not be utilized by the company except to redeem debentures

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the foreign operations from their functional currencies to the presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Retained earning and dividend on equity shares:

This represent the surplus / (deficit) of the profit or loss. The amount that can be distributed by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amount reported above are not distributable in entirety.

On 20th March, 2019, an interim dividend of ₹ 3.50 per share (total dividend ₹ 25.19 crores) was paid to holders of fully paid equity shares.

Reserve for equity instrument measured through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

The above financial statement of change in equity should be read in conjuction with the accompanying notes.

Note No 14. Non current borrowings

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Measured at amortised cost		
(a) Debentures (Unsecured) (Refer note 14.1)	250.00	350.00
(b) Working capital loans (Refer note 14.2 (i))		
From banks	-	25.00
(c) Equipment loan (Secured) (Refer note (14.2 (ii))		
Rupee loan	379.52	333.34
Foreign currency loan	20.83	39.04
(d) Other loans and advances (Refer note 14.2 (iii))		
Foreign currency loan (Secured)		
Buyers credit from banks	-	8.34
Total	**650.35**	**755.72**

14.1 Details of debentures

₹ in Crores

Particulars	Terms of repayment	As at 31st March, 2019		As at 31st March, 2018	
		Secured	Unsecured	Secured	Unsecured
Unsecured, redeemable, unlisted, non-convertible debentures (NCDs)					
i) 9.87% NCDs (Refer Note 37)	Refer note 14.1 (i) below	-	50.00	-	50.00
ii) 9.05% NCDs (Refer Note 37)	Refer note 14.1 (ii) below	-	-	-	100.00
iii) 8.60% NCDs	Refer note 14.1 (iii) below	-	100.00	-	100.00
iv) 8.65% NCDs	Refer note 14.1 (iv) below	-	100.00	-	100.00
Total Non-Convertible Debentures		**-**	**250.00**	**-**	**350.00**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 14. Non current borrowings (Continued)

14.1 (i) The NCDs carry interest @ 9.87% per annum payable semi annually and are redeemable in full on 6th April, 2020 (i.e. at the end of 5 years and 20 days from the date of allotment).

14.1 (ii) The NCDs carry interest @ 9.05% per annum payable semi annually and are redeemable in full on 15th January, 2021 (i.e. at the end of 5 years from the date of allotment). The NCDs carry a Put option to the holders and Call option to the Company to get the NCDs redeemed on 30th April, 2019 (i.e. 3 years 3 months and 16 days from the date of allotment), by giving 30 days notice to the other party.

14.1 (iii) The NCDs carry interest @ 8.60% per annum payable annually and are redeemable in full on 6th September, 2021 (i.e. at the end of 5 years from the date of issue).

14.1 (iv) The NCDs carry interest @ 8.65% per annum payable annually and are redeemable in full on 23rd February, 2022 (i.e. at the end of 5 years from the date of issue).

14.2 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof:

₹ in Crores

Particulars	Terms of security	As at 31st March, 2019		As at 31st March, 2018	
		Secured	Unsecured	Secured	Unsecured
14.2 (i) Working capital loans from banks					
State Bank of India	Refer note 14.2 (iv) below	-	-	25.00	-
Total - Term loan		**-**	**-**	**25.00**	-
14.2 (ii) Equipment loan from banks					
Rupee loan:					
Axis Bank	Refer note 14.2 (v) below	160.00	-	200.00	-
State Bank of India		219.52	-	133.34	-
Foreign currency loan (ECB):					
Societe Generale		20.83	-	39.04	-
Total - Equipment loan		**400.35**	-	**372.38**	-
14.2 (iii) Other loans and advances from banks - Buyer's credit foreign currency loans					
Yes Bank	Refer note 14.2 (vi) below	-	-	2.70	-
Axis Bank		-	-	2.82	-
Kotak Mahindra Bank		-	-	2.82	-
Total - Other loans and advances		**-**	**-**	**8.34**	-
Total long-term borrowings from banks		**400.35**	**-**	**405.72**	-

14.2 (iv). Working capital loan from State Bank of India is secured by second charge on plant and machinery. Working capital loan from State Bank of India carries interest at 9.55% per annum.

14.2 (v). Secured by first pari passu charge on plant & machinery. The rupee loan of Axis Bank Limited carry interest @ 9.40% per annum and State Bank of India carry interest ranging from 9.30% to 9.70% per annum. Foreign currency loans carry interest @ 5.18213% per annum. The repayment schedule of the loans are as follows:

As at 31st March, 2019 ₹ in Crores

Nature	Bank name	Loan amount	Repayment schedule
Rupee Loan	Axis Bank Ltd.	160.00	Each annual installment of ₹ 40 crores upto 2023-24
	State Bank of India	165.00	Semi annual installment of ₹ 16.50 crores upto 2025-26
	State Bank of India	54.52	Annual installment of ₹ 33.33 crores in 2020-21 and ₹ 21.19 crores in 2021-22
Foreign Currency Loan	Societe Generale	20.83	Semi annual installment of ₹ 10.41 crores upto 2020-21

14.2 (vi). Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest ranging from 3.36% to 3.42% per annum.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 15. Trade payables

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to Micro and small enterprises	3.67	-	5.52	-
(b) Total outstanding due to other than Micro and small enterprises	2,223.22	381.29	1,562.06	195.75
Total	**2,226.89**	**381.29**	**1,567.58**	**195.75**

Disclosures as required under the micro, small and medium enterprises development Act, 2006 (MSMED Act)

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	3.67	5.52
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end	0.08	0.09
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act,beyond the appointed day during the period	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier periods	0.08	0.09

Note No 16. Other financial liabilities

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Current maturities of long-term debt (Refer note 16.1 below)	128.06	-	149.44	-
(b) Amount due to customers (Refer Note 45)	-	-	397.37	-
(c) Advances from customers (Refer Note 45)	-	-	87.70	138.24
(d) Interest accrued but not due on borrowings	6.26	-	8.31	-
(e) Unclaimed / unpaid dividends #	0.57	-	0.58	-
(f) Interest accrued on advance from customers	7.82	-	0.87	-
(g) Other payables				
(i) Trade / security deposits received	21.82	-	31.32	-
(ii) Amount received on invocation of bank guarantees	-	70.48	-	71.67
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others	41.40	37.24	20.88	-
	63.22	**107.73**	**52.20**	**71.68**
Total	**205.93**	**107.73**	**696.47**	**209.92**

The figures reflect the position as at year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due dates.

Note No 16.1:

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Debentures (Unsecured) #	-	-	50.00	-
(b) Working capital loans from banks (Secured) #	25.00	-	25.00	-
(c) Equipment loans from banks (Secured) #	73.33	-	52.06	-
(d) Foreign currency loans (Secured) #	29.73	-	22.38	-
Total	**128.06**	**-**	**149.44**	-

For nature of security refer note 14.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 17. Other non-current and current liabilities ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Contract liabilities				
(i) Amount due to customers (Refer note 45)	655.05	-	-	-
(ii) Advances from customers (Refer note 45)	1,097.72	1,615.63	-	-
(b) Advances from customers	-	-	819.85	763.09
(c) Advance against sale of scrap	0.09	-	0.10	-
(d) Other payables				
(i) Statutory remittances (VAT, GST, Service tax, etc.)	60.17	-	34.14	-
(ii) Advance from subsidiaries	4.48	-	1.86	-
Total	**1,827.51**	**1,615.63**	**855.95**	**763.09**

Contract liabilities as disclosed in current year representing "Advance from customer" and "Amount due to customers" have been presented as part of other current liabilties and other financial liabilities respectively, in the previous year.

Note No 18. Provisions ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Provision for employee benefits:				
Provision for compensated absences (Refer Note 31)	2.65	19.33	19.22	-
Provision for gratuity (Refer Note 31)	8.83	5.05	7.53	7.76
	11.48	24.38	26.75	7.76
Provision - Others:				
(i) Provision for projected loss on contract (Refer Note 18.1)	1.50	-	-	-
Total	**12.98**	**24.38**	**26.75**	**7.76**

Note No. 18.1 - Movement in the provision for projected loss on contract ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Balance at beginning of the year	-	-	-	-
Add: Created during the year	1.50	-	-	-
Less: Utilised during the year	-	-	-	-
Balance at end of the year	**1.50**	**-**	**-**	**-**

Note No 19. Current tax liabilities (net) ₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for tax (net of advance tax ₹ 6.25 crores) (As at 31st March, 2018 ₹ 69.25 crores)	12.13	11.21
Total	**12.13**	**11.21**

Note No 20. Current borrowings ₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Working capital demand loans from banks		
Secured (Refer note 20.1 below)	390.00	-
(b) Short term loans from bank		
Foreign currency loan:		
Buyers credit (Secured) (Refer note 20.1 below)	-	10.49
(c) Cash credit facility from banks		
Secured (Refer note 20.1 below)	296.30	644.41
(d) Commercial papers (Unsecured)		
From banks	-	48.89
From other parties	99.44	49.76
	99.44	98.65
(e) From related parties (Unsecured)	8.45	0.36
Total	**794.19**	**753.91**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 20. Current borrowings (Continued)
Note 20.1
Details of security for the secured short-term borrowings: ₹ in Crores

Particulars	Terms of security	As at 31st March, 2019	As at 31st March, 2018
Working capital demand loans (WCDL)			
From banks:			
HSBC Bank	Refer note 20.2 below	50.00	-
State Bank of India		240.00	-
Export Import Bank of India		100.00	-
		390.00	-
Short term loans from bank			
Foreign currency loan:			
Buyers credit			
Axis Bank	Refer note 20.2 below	-	10.49
Cash credit facility	Refer note 20.2 below	296.30	644.41

Note 20.2

(i) Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / 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.

(ii) Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 8.65% to 10.45% per annum (as on 31st March, 2018 interest ranging from 7.45% to 11.00% per annum). Commercial paper carry interest rate of 7.90% per annum (as on 31st March, 2018 interest ranging from 7.20% to 7.60% per annum). Buyers credit interest ranges from 1.99% to 2.24% per annum as on 31st March, 2018.

Note No 21. Current tax and deferred tax

(a) Income tax expense ₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current tax:		
Current tax in respect of current year	116.27	56.48
Adjustments in respect of previous years	4.50	(2.56)
Deferred tax		
In respect of current year	(35.96)	26.08
Total tax expense recognised in profit and loss account	**84.81**	**80.00**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate: ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Amount	Tax rate	Amount	Tax rate
Profit before tax	209.86		208.85	
Income tax using the Company's domestic tax rate #	73.33	34.94%	72.28	34.61%
Effect of income that is exempt from taxation				
Non-taxable income	(0.03)	-0.01%	(0.43)	-0.21%
Loss in respect of which deferred tax assets not recognised due to uncertainty	3.42	1.63%	6.38	3.05%
Disallowable expenses	0.98	0.47%	1.57	0.75%
Effect of tax rates differences of entities operating in other jurisdictions / having different tax rates	(0.36)	-0.17%	(0.32)	-0.15%
Charge / (credit) in respect of previous years	4.50	2.14%	(2.56)	-1.23%
Effect of change in tax rates	1.08	0.51%	2.66	1.27%
Others	1.89	0.90%	0.42	0.20%
Income tax recognised In P&L (effective tax rate)	**84.81**	**40.41%**	**80.00**	**38.29%**

The tax rate used for the reconciliation above is the corporate tax rate of 30%, surcharge of 12% on corporate tax, education cess 3% and secondary and higher education cess of 1% on corporate tax.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 21. Current tax and deferred tax (Continued)

(c) Movement of deferred tax

₹ in Crores

Particulars	For the Year ended 31st March 2019				
	Opening balance	Recognised in profit and Loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	88.06	(13.86)	-	-	74.20
Arbitration awards	221.68	(35.98)	-	-	185.70
	309.74	(49.84)	-	-	259.90
Tax effect of items constituting deferred tax assets					
Employee benefits	(12.06)	0.87	(1.34)	-	(12.53)
Expected credit loss	(1.88)	-	-	-	(1.88)
Provisions	(5.37)	(2.22)	-	-	(7.59)
Carry forward losses	(11.23)	11.23	-	-	-
Other items	(4.30)	4.00	-	-	(0.30)
Minimum alternate tax credit	(126.92)	-	-	54.43	(72.49)
	(161.76)	13.88	(1.34)	54.43	(94.79)
Net tax liabilities	**147.98**	**(35.96)**	**(1.34)**	**54.43**	**165.11**

₹ in Crores

Particulars	For the Year ended 31st March 2018				
	Opening balance	Recognised in profit and Loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	96.99	(8.93)	-	-	88.06
Arbitration awards	125.74	95.94	-	-	221.68
FVTPL financial asset	0.01	(0.01)	-	-	-
	222.74	87.00	-	-	309.74
Tax effect of items constituting deferred tax assets					
Employee benefits	(11.58)	(0.18)	(0.30)	-	(12.06)
Expected credit loss	(1.25)	(0.63)	-	-	(1.88)
Provisions	(6.47)	1.10	-	-	(5.37)
Carry forward losses	-	(11.23)	-	-	(11.23)
Other items	(2.90)	(1.40)	-	-	(4.30)
Minimum alternate tax credit	(75.55)	(48.58)	-	(2.79)	(126.92)
	(97.75)	(60.92)	(0.30)	(2.79)	(161.76)
Net tax liabilities	**124.99**	**26.08**	**(0.30)**	**(2.79)**	**147.98**

Note No 22. Revenue from operations

₹ in Crores

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Revenue from sale of goods (Including excise duty, if any) (Construction Materials) (Refer Note 45)	13.62	30.01
(b)	Construction contract revenue (Refer note 22.1 below)	7,655.49	5,710.38
(c)	Other operating income (Refer note 22.2 below)	62.79	64.92
	Total	**7,731.90**	**5,805.31**

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
22.1	**Construction contract revenue comprises:** (Refer Note 45)		
	Construction revenue	7,655.49	5,755.58
	Less : Value added tax	-	45.20
	Total - Sale of services	**7,655.49**	**5,710.38**
22.2	**Other operating income comprises:** (Refer Note 45)		
	Sale of scrap	22.07	21.01
	Others	40.72	43.91
	Total - Other operating revenues	**62.79**	**64.92**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 23. Other income

₹ in Crores

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	101.13	98.98
(b)	Dividend income:		
	From non trade, on current investments	49.89	1.25
(c)	Other non operating income (Refer note 23.2 below)	52.37	47.50
(d)	Fair value gain on financial assets designated at FVTPL	-	0.03
	Total	**203.39**	**147.76**

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
23.1	**Interest income comprises:**		
	Interest on arbitration awards	84.69	88.22
	Other interest	16.44	10.76
	Total - Interest income	**101.13**	**98.98**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors / advances no longer required written back	0.36	3.05
	Miscellaneous provision written back	3.06	17.46
	Insurance claim received	7.65	9.47
	Net gain on foreign currency transactions and translation	17.51	-
	Miscellaneous income	23.79	17.52
	Total - Other non-operating income	**52.37**	**47.50**

Note No 24. Cost of material consumed

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cost of construction materials consumed (Including bought out Items)	1,788.24	1,680.38
Total	**1,788.24**	**1,680.38**

Note No 24.1. Cost of construction

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Stores and spare consumed	400.77	507.70
Subcontracting expenses (Including lease payment for equipments hired)	2,962.06	1,094.76
Site installation	121.16	72.24
Technical consultancy	227.80	160.70
Power and fuel consumed	220.43	240.47
Freight and handling charges	134.35	85.67
Total	**4,066.57**	**2,161.54**

Note No 25. Cost of traded goods

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Construction materials	37.20	64.72
Total	**37.20**	**64.72**

Note No 26. Employee benefits expense

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries and wages, including bonus	618.44	567.96
Contributions to provident and other funds	39.34	38.57
Staff welfare expenses	36.99	26.05
Total	**694.77**	**632.58**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 27. Finance costs

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest expense on financial liabilities not at fair value through profit or loss		
Bank overdrafts and loans	170.22	193.27
Advance from clients	31.11	57.77
Others	16.47	10.24
	217.80	261.28
Other borrowing costs:		
Bank guarantee commission including bank charges	53.46	39.37
Others	5.47	1.32
Total	**276.73**	**301.97**

Note No 28. Depreciation and amortisation expenses

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation on tangible assets	233.64	194.32
Amortisation on intangible assets	1.40	0.88
Total	**235.04**	**195.20**

Note No 29. Other expenses

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Water and electricity	8.24	11.86
Rent	60.61	47.56
Repairs and maintenance - Buildings	0.05	0.02
Repairs and maintenance - Machinery	26.39	15.49
Repairs and maintenance - Others	13.93	8.27
Insurance charges	84.09	90.27
Rates and taxes	108.35	87.69
Communication	5.89	5.63
Travelling and conveyance	79.68	69.58
Security charges	34.46	30.61
Donations and contributions	0.66	2.15
Expenditure on corporate social responsibility (CSR)	1.93	1.45
Legal and professional	89.38	94.31
Auditors remuneration (Refer Note 29.1)	0.78	0.75
Advances written off	0.03	-
Provision for Doubtful Debtors (Refer Note 5.1)	0.44	-
Bad / irrecoverable debtors / unbilled revenue written off	45.53	171.19
Net loss on foreign currency transactions and translation (Net)	-	17.79
Expected credit loss on financial assets (Refer Note 5.1)	6.28	1.78
Provision for projected loss on contract (Refer Note 18.1)	1.50	-
Loss on sale of fixed assets	4.16	2.84
Miscellaneous expenses	54.50	48.59
Total	**626.88**	**707.83**

Note 29.1:

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Auditors remuneration comprises		
(a) To statutory auditors (excluding taxes)		
As auditors - statutory audit	0.65	0.55
For taxation matters	0.06	0.06
For other services	0.05	0.12
Reimbursement of expenses	#	#
# Amount is below the norms adopted by the Company.		
	0.76	**0.73**
(b) To cost auditors for cost audit (excluding taxes)		
As auditors	0.02	0.02
	0.02	**0.02**
Total (a + b)	**0.78**	**0.75**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 30: Contingent liabilities and commitments (to the extent not provided for)

₹ in Crores

	Particulars	As at 31st March, 2019	As at 31st March, 2018
(i)	**Contingent liabilities**		
(a)	Claims against the Company not acknowledged as debts		
	Differences with sub-contractors in regard to rates and quantity of materials.	309.54	214.04
(b)	Claims against the joint operations not acknowledged as debts		
	Differences with sub-contractors / clients in regard to scope of work.	-	103.91
(c)	Guarantees		
	Bank guarantees given on behalf of subsidiaries and joint ventures and counter guaranteed by the Company.	2,086.25	2,388.76
(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.	15.48	20.51
(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.	0.66	0.66
(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.	175.65	177.85
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 and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities		
(ii)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	63.91	11.18
(iii)	**Income tax**		
	Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The company has obtained stay order from tax department. Company is confident that the case will be successfully contested before concerned appellate authorities.	26.24	-
	The Honourable Supreme Court has passed a decision on 28th February 2019, in relation to inclusion of certain allowances within the scope of “Basic Wages” for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The company, based on the legal advice, is awaiting further clarification for implementation of the said order, in order to reasonably assess the impact, if any.		

Note No 31. Employee benefit plans

a. Defined contribution plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the Life Insurance Corporation (LIC). Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The total expense recognised in profit or loss of ₹ 29.15 crores (for the year ended March 31, 2018: ₹ 31.61 crores) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

b. Defined benefit plans

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement / termination of an amount equivalent to 15 days salary and on death while in employment or on death of an employee an amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Company or as per payment of the Gratuity Act, whichever is higher. Vesting occurs upon completion of five years of service.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 31. Employee benefit plans (Continued)

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2019 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

c. Details of defined benefit plan - Gratuity

The principle assumptions used for the purpose of actuarial valuation

Particulars	March 31, 2019	March 31, 2018
Expected Return on Plan Assets	7.79%	7.83%
Rate of Discounting	7.79%	7.83%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	For service 4 years and below 6.00% p.a. & For service 5 years and above 2.00% p.a	
Mortality Rate During Employment*	Indian Assured Lives Mortality (2006-08)	

*Based on India's standard mortality table with modification to reflect expected changes in mortality.

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Components of defined benefit cost		
Service cost:		
Current service cost	2.92	2.76
Past service cost and (gain) / loss from settlements	-	-
Interest cost on benefit obligation (Net)	1.20	1.23
Return on plan assets (excluding amounts included in net interest expense)	-	-
Total defined benefit costs recognised in profit or loss	**4.12**	**3.99**
Actuarial (gains) / losses arising from changes in demographic assumptions	0.04	(0.08)
Actuarial (gains) / losses arising from changes in financial assumptions	0.11	(1.55)
Actuarial losses arising from experience adjustments	3.69	2.48
Total defined benefit costs recognised in OCI	3.84	0.85
Total defined benefit costs recognised in profit or loss and OCI	**7.96**	**4.84**
(ii) Net (liabilities) recognised in the Balance Sheet		
Present value of defined benefit obligation	32.31	27.65
Fair value of plan asset	18.43	12.36
Net liabilities recognised in the Balance Sheet	(13.88)	(15.29)

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 31. Employee benefit plans (Continued)

(iii) Movements in the present value of the defined benefit obligation are as follows. ₹ in Crores

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening defined benefit obligation	27.65	25.54
Current service cost	2.92	2.76
Interest cost	2.16	1.86
Remeasurement (gains) / losses:		
Actuarial (gains) / losses arising from changes in financial assumptions	0.11	(1.55)
Actuarial losses arising from experience adjustments	3.69	2.48
Past service cost, including losses on curtailments	-	-
Liabilities extinguished on settlements	-	-
Benefits paid	(4.22)	(3.44)
Closing defined benefit obligation	**32.31**	**27.65**

(iv) Movements in the fair value of plan assets are as follows.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening fair value of plan assets	12.36	10.07
Interest income	0.97	0.73
Remeasurement gain / (loss):		
Return on plan assets (excluding amounts included in net interest expense)	(0.04)	0.08
Contributions from the employer	9.36	4.92
Benefits paid	(4.22)	(3.44)
Closing fair value of plan assets	**18.43**	**12.36**

The Company pays premium to the group gratuity scheme of LIC and the fund is managed by LIC

(v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 2.57 crores (increase by ₹ 3.01 crores) (as at March 31, 2018: decrease by ₹ 2.17 crores (increase by ₹ 2.54 crores)).
2) If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 3.04 crores (decrease by ₹ 2.64 crores) (as at March 31, 2018: increase by ₹ 2.56 crores (decrease by ₹ 2.22 crores)).
3) If the life expectancy increases (decreases) by one year for both men and women, the defined benefit obligation would increase by ₹ 0.37 crores (decrease by ₹ 0.43 crores) (as at March 31, 2018: increase by ₹ 0.32 crores (decrease by ₹ 0.38 crores)).

(vi) Sensitivity analysis method

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at March 31, 2019 is 15 years (as at March 31, 2018: 16 years).

The Company expects to make a contribution of ₹ 8.83 crores (as at March 31, 2018: ₹ 7.53 crores) to the defined benefit plans during the next financial year.

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting

Particulars	₹ in Crores
1st following year	3.46
2nd following year	1.50
3rd following year	2.04
4th following year	2.74
5th following year	2.77
Sum of years 6 To 10	15.42

d. Compensated Absences

The compensated absences cover the Company's liability for sick and earned leave.

The amount of the provision of ₹ 21.98 crores (as at 31st March, 2018 ₹ 19.22 crores) is presented as current liabilities, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 32. 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 31st March, 2019	For the year ended 31st March, 2018
	₹	₹
Basic earnings per share	17.37	17.90
Diluted earnings per share	3.67	3.78

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(₹ in crores)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earning per share	125.05	128.85
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	125.00	128.80
Profits used in the calculation of basic earnings per share	**125.00**	**128.80**

The weighted average number of equity shares for the purpose of basic earnings per share is as follows:

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238

Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

(₹ in crores)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earning per share	125.05	128.85
Earnings used in the calculation of diluted earnings per share	125.05	128.85
Profits used in the calculation of diluted earnings per share	**125.05**	**128.85**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
- Convertible preference shares	26,87,68,030	26,87,68,030
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,268**	**34,07,38,268**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 33. Operating lease arrangements

The Company as lessee

Leasing arrangements

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. The Company does not have an option to purchase the leased assets at the expiry of the lease periods.

Payments recognised as an expense ₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(i) Lease payments recognised for residential and other properties in the Statement of Profit and Loss under 'Rent' in Note 29.	60.61	47.56
(ii) Lease payments for equipments are recognised in the Statement of Profit and Loss under 'Subcontracting Expenses' in Note 24.	250.55	161.26
The Company as lessor		
Rental income earned by the Company from lease receipts for equipments are recognised in the Statement of Profit and Loss Under 'Revenue from Operations' in Note 22.	22.29	27.94

Note No 34. Corporate social responsibility: ₹ in Crores

Gross amount required to be spent by the Company during the year:	2.17

Amount spent during the year on: ₹ in Crores

CSR activities (in cash)	Paid	To be paid	Total
(i) Construction/acquisition of an asset	-	-	**-**
(ii) Purposes other than (i) above	1.93	-	**1.93**
Total	**1.93**	**-**	**1.93**
The Company has undertaken various other CSR activities. However, the same does not qualify under schedule VII of Companies Act, 2013. The short contribution of ₹ 0.24 crores shall be carried out during the financial year 2019-20.			

Note 35: Segment information :

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

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the geographic perspective. Accordingly, the Company has only one reportable business segment of construction business relating to infrastructure, 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 Crores

Particulars	Local Projects	Foreign Projects	Total
Income from operation	**5,515.01**	**2,216.89**	**7,731.90**
	(5,319.87)	(485.44)	(5,805.31)
Carrying amount of asset	**1,762.61**	**67.36**	**1,829.97**
	(1,663.06)	(14.24)	(1,677.30)

Figures in parenthesis are those of previous year.

Revenue from major products and services: The major activity of the Company is infrastructure activities

Information about major customers: Revenue from external customers contributing to more than 10% of the Company's revenue amounts to ₹ 1,396.50 crores (For the year 2017-18 ₹ 1,782.50 crores). These customers pertain to hydro projects.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 36: Related party disclosures

(a) Details of related parties:

Related party where control exists

Holding Company

Shapoorji Pallonji & Co. Pvt. Ltd.

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 Infrastructures Kuwait for Building, Road and Marine Contracting WLL
Afcons Overseas Construction LLC
Afcons Gulf International Project Services FZE
Afcons Mauritius Infrastructure Ltd.
Afcons Overseas Singapore Pte Ltd.
Afcons Infra Projects Kazakhstan LLP
Afcons Saudi Constructions LLC
Afcons Overseas Project Gabon SARL

Associate of the Company

Afcons (Mideast) Constructions & Investments Private Limited

Fellow subsidiary(s)

Floreat 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 & Pallonji Qatar, WLL
Eureka Forbes Ltd.
Armada Madura EPC Limited
Stertling & Wilson Pvt.Ltd.
Forbes Facility Services Pvt.Ltd.
Forbes & Company Limited
S.D.Corporation Pvt.Ltd.
Shapoorji Pallonji Infrastructure Capital Co Private Limited
Shapoorji Pallonji Pandoh Takoli Highway Private Limited
Shapoorji Pallonji Oil and Gas Private Limited
Forbes Enviro Solutions Ltd

Jointly Controlled Operations

Transtonnelstroy Afcons Joint Venture
Dahej Standby Jetty Project Undertaking
Afcons Gunanusa Joint Venture
Afcons Pauling Joint Venture
Strabag AG Afcons Joint Venture
Saipem Afcons Joint Venture
Ircon Afcons Joint Venture
Afcons Sener LNG Construction Projects Pvt.Ltd.
Afcons Sibmost Joint Venture
Afcons Vijeta PES Joint Venture
Afcons SMC Joint Venture
Afcons Vijeta Joint Venture (w.e.f. 2nd August, 2017)
Afcons JAL Joint Venture (w.e.f. 21st August, 2017)
Afcons KPTL Joint Venture (w.e.f. 24th October, 2017)

Key management personnel

Mr. S. P. Mistry – Chairman
Mr. K. Subramanian – Executive Vice Chairman
Mr. S. Paramasivan – Managing Director
Mr. Giridhar Rajagopalan
Mr. Akhil Kumar Gupta

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 36 : Related party disclosures (Continued)

(b) Details of transactions with related party for the period 01st April, 2018 to 31st March, 2019 (₹ In Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Associate Company		Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Managerial Remuneration														
a) Short Term Employee Benefit														
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	3.00	2.59	**3.00**	2.59
K.Subramanian	-	-	-	-	-	-	-	-	-	-	3.43	3.12	**3.43**	3.12
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	1.85	1.62	**1.85**	1.62
Akhil Kumar Gupta	-	-	-	-	-	-	-	-	-	-	1.83	1.67	**1.83**	1.67
b) Post Employment Benefits														
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	0.47	0.39	**0.47**	0.39
K.Subramanian	-	-	-	-	-	-	-	-	-	-	0.51	0.43	**0.51**	0.43
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	0.13	0.10	**0.13**	0.10
Akhil Kumar Gupta	-	-	-	-	-	-	-	-	-	-	0.07	0.04	**0.07**	0.04
c) Other Long Term Benefits														
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	0.29	0.26	**0.29**	0.26
K.Subramanian	-	-	-	-	-	-	-	-	-	-	0.33	0.32	**0.33**	0.32
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	0.09	0.07	**0.09**	0.07
Akhil Kumar Gupta	-	-	-	-	-	-	-	-	-	-	0.06	0.05	**0.06**	0.05
Sitting Fees paid														
S.P.Mistry	-	-	-	-	-	-	-	-	-	-	0.04	0.03	**0.04**	0.03
Dividend on Preference Shares														
Floreat Investments Limited	-	-	-	-	0.01	0.01	-	-	-	-	-	-	**0.01**	0.01
Shapoorji Pallonji & Co. Pvt. Ltd.	0.01	0.01	-	-	-	-	-	-	-	-	-	-	**0.01**	0.01
Interim Dividend on Equity Shares														
Shapoorji Pallonji & Co. Pvt. Ltd.	17.19	17.18	-	-	-	-	-	-	-	-	-	-	**17.19**	17.18
Floreat Investments Limited	-	-	-	-	4.56	4.56	-	-	-	-	-	-	**4.56**	4.56
Hermes Commerce Limited	-	-	-	-	1.41	1.41	-	-	-	-	-	-	**1.41**	1.41
Renaissance Commerce Private Ltd.	-	-	-	-	1.41	1.41	-	-	-	-	-	-	**1.41**	1.41
K.Subramanian	-	-	-	-	-	-	-	-	-	-	0.02	0.02	**0.02**	0.02
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	0.01	0.01	**0.01**	0.01
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	0.00	0.00	**0.00**	0.00
Overhead Charges Recovered														
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	5.70	7.58	-	-	-	-	**5.70**	7.58
Interest Income														
Afcons Construction Mideast, LLC	-	-	15.19	9.25	-	-	-	-	-	-	-	-	**15.19**	9.25
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	-	-	0.19	0.15	-	-	-	-	**0.19**	0.15
Income from Services charges														
Afcons Overseas Singapore Pte Ltd.	-	-	3.60	2.72	-	-	-	-	-	-	-	-	**3.60**	2.72
Afcons Construction Mideast, LLC	-	-	1.59	1.61	-	-	-	-	-	-	-	-	**1.59**	1.61
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	3.42	7.23	-	-	-	-	**3.42**	7.23
Afcons Overseas Project Gabon SARL	-	-	2.20	2.47	-	-	-	-	-	-	-	-	**2.20**	2.47
Other Income														
Afcons Overseas Project Gabon SARL	-	-	1.05	1.99	-	-	-	-	-	-	-	-	**1.05**	1.99
Afcons Construction Mideast, LLC	-	-	1.12	1.71	-	-	-	-	-	-	-	-	**1.12**	1.71
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	0.02	0.01	-	-	-	-	**0.02**	0.01
Afcons Gunanusa Joint Venture	-	-	-	-	-	-	-	0.25	-	-	-	-	**-**	0.25
Subcontract Income														
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	0.23	0.72	-	-	-	-	**0.23**	0.72
Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	-	-	-	20.95	-	-	-	-	-	-	-	**20.95**	-
Shapoorji Pallonji Pandoh Takoli Highway Private Limited	-	-	-	-	216.16	-	-	-	-	-	-	-	**216.16**	-
Income from Equipment Hire														
Ircon-Afcons Joint Venture	-	-	-	-	-	-	-	0.00	-	-	-	-	**-**	0.00
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	0.65	0.99	-	-	-	-	**0.65**	0.99
Afcons Overseas Project Gabon SARL	-	-	13.44	16.28	-	-	-	-	-	-	-	-	**13.44**	16.28
Afcons Overseas Singapore Pte Ltd.	-	-	7.29	10.56	-	-	-	-	-	-	-	-	**7.29**	10.56
Dividend Received														
Afcons Overseas Singapore Pte Ltd.	-	-	49.89	-	-	-	-	-	-	-	-	-	**49.89**	-
Distribution of Profit from Joint Ventures														
Ircon-Afcons Joint Venture	-	-	-	-	-	-	11.86	-	-	-	-	-	**11.86**	-

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 36 Related party disclosures (Continued)

(b) Details of transactions with related party for the period 01st April, 2018 to 31st March, 2019 (₹ In Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Associate Company		Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Sale of Spares/Materials/Assets														
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	0.03	0.06	-	-	-	-	**0.03**	0.06
Afcons Construction Mideast, LLC	-	-	0.51	3.99	-	-	-	-	-	-	-	-	**0.51**	3.99
Afcons Overseas Project Gabon SARL	-	-	1.87	1.95	-	-	-	-	-	-	-	-	**1.87**	1.95
Afcons Overseas Singapore Pte Ltd.	-	-	2.08	2.74	-	-	-	-	-	-	-	-	**2.08**	2.74
Afcons - KPTL Joint Venture	-	-	-	-	-	-	0.10	-	-	-	-	-	**0.10**	-
Advance Given														
Afcons Construction Mideast, LLC	-	-	37.16	95.72	-	-	-	-	-	-	-	-	**37.16**	95.72
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	0.82	1.65	-	-	-	-	-	-	-	-	**0.82**	1.65
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	5.08	6.30	-	-	-	-	**5.08**	6.30
Afcons Gunanusa Joint Venture	-	-	-	-	-	-	-	0.45	-	-	-	-	**-**	0.45
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	1.88	-	-	-	-	-	**1.88**	-
Ircon-Afcons Joint Venture	-	-	-	-	-	-	0.01	-	-	-	-	-	**0.01**	-
Afcons (Mideast) Constructions and Investments Private Limited	-	-	-	-	-	-	-	-	0.02	0.01	-	-	**0.02**	0.01
Afcons Offshore & Marine Services Private Limited	-	-	0.00	0.00	-	-	-	-	-	-	-	-	**0.00**	0.00
Afcons Corrosion Protection Pvt Ltd	-	-	0.04	-	-	-	-	-	-	-	-	-	**0.04**	-
Afcons Overseas Project Gabon SARL	-	-	0.88	0.33	-	-	-	-	-	-	-	-	**0.88**	0.33
Afcons Overseas Singapore Pte Ltd.	-	-	0.10	4.18	-	-	-	-	-	-	-	-	**0.10**	4.18
Hazarat & Company Private Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	**0.02**	0.02
Afcons Saudi Constructions LLC	-	-	0.15	0.21	-	-	-	-	-	-	-	-	**0.15**	0.21
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	-	-	0.37	0.03	-	-	-	-	**0.37**	0.03
Afcons - KPTL Joint Venture	-	-	-	-	-	-	(12.97)	-	-	-	-	-	**(12.97)**	-
Advance Received back														
Ircon-Afcons Joint Venture	-	-	-	-	-	-	-	(0.04)	-	-	-	-	**-**	(0.04)
Afcons Construction Mideast, LLC	-	-	(102.95)	(45.57)	-	-	-	-	-	-	-	-	**(102.95)**	(45.57)
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	(1.71)	(2.20)	-	-	-	-	-	-	-	-	**(1.71)**	(2.20)
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	(3.97)	(9.79)	-	-	-	-	**(3.97)**	(9.79)
Afcons Gunanusa Joint Venture	-	-	-	-	-	-	-	(0.92)	-	-	-	-	**-**	(0.92)
Afcons (Mideast) Constructions and Investments Private Limited	-	-	-	-	-	-	-	-	(0.02)	(0.01)	-	-	**(0.02)**	(0.01)
Afcons Offshore & Marine Services Private Limited	-	-	(0.00)	(0.00)	-	-	-	-	-	-	-	-	**(0.00)**	(0.00)
Afcons Overseas Singapore Pte Ltd.	-	-	(9.50)	(4.79)	-	-	-	-	-	-	-	-	**(9.50)**	(4.79)
Afcons Overseas Project Gabon SARL	-	-	-	(0.02)	-	-	-	-	-	-	-	-	**-**	(0.02)
Afcons Overseas Construction LLC, Qatar	-	-	-	(0.03)	-	-	-	-	-	-	-	-	**-**	(0.03)
Hazarat & Company Private Limited	-	-	(0.02)	(0.02)	-	-	-	-	-	-	-	-	**(0.02)**	(0.02)
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	-	-	-	(0.01)	-	-	-	-	**-**	(0.01)
Service Charges paid														
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	0.39	-	-	-	-	-	-	-	-	**-**	0.39
Housekeeping services paid														
Forbes Facility Services Pvt Ltd	-	-	-	-	6.00	6.44	-	-	-	-	-	-	**6.00**	6.44
Rent Expense														
Hazarat & Company Private Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	**0.02**	0.02
Forbes & Company Limited	-	-	-	-	0.40	0.59	-	-	-	-	-	-	**0.40**	0.59
Expenses incurred by /(on behalf of) Afcons														
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	0.01	-	-	-	-	**-**	0.01
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	0.09	-	-	-	-	**-**	0.09
Afcons Gunanusa Joint Venture	-	-	-	-	-	-	-	0.14	-	-	-	-	**-**	0.14
Afcons Overseas Singapore Pte Ltd.	-	-	-	1.26	-	-	-	-	-	-	-	-	**-**	1.26
Reimbursement of Expenses														
S.D. Corporation Pvt. Ltd.	-	-	-	-	0.05	0.04	-	-	-	-	-	-	**0.05**	0.04
Shapoorji Pallonji Oil and Gas Pvt Ltd	-	-	-	-	0.23	-	-	-	-	-	-	-	**0.23**	-
Legal & Professional Fees														
Shapoorji Pallonji & Co. Pvt. Ltd. (Strategic Support Services)	17.66	24.33	-	-	-	-	-	-	-	-	-	-	**17.66**	24.33
Shapoorji Pallonji & Co. Pvt. Ltd. (Consultancy Services)	0.05	0.60	-	-	-	-	-	-	-	-	-	-	**0.05**	0.60

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 36 Related party disclosures (Continued)

(b) Details of transactions with related party for the period 01st April, 2018 to 31st March, 2019 (₹ In Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Associate Company		Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Subcontract Expense														
Shapoorji Pallonji Qatar WLL	-	-	-	-	-	14.52	-	-	-	-	-	-	**-**	14.52
Travelling Expenses														
Forvol International Service Ltd	-	-	-	-	15.65	12.51	-	-	-	-	-	-	**15.65**	12.51
Equipment Hire Charges Paid														
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	3.26	1.94	-	-	-	-	-	-	-	-	**3.26**	1.94
Purchase of Spares/Materials/Assets														
Afcons Overseas Project Gabon SARL	-	-	1.26	0.35	-	-	-	-	-	-	-	-	**1.26**	0.35
Afcons Overseas Singapore Pte Ltd.	-	-	0.21	-	-	-	-	-	-	-	-	-	**0.21**	-
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	0.12	0.20	-	-	-	-	**0.12**	0.20
Afcons Construction Mideast, LLC	-	-	3.21	-	-	-	-	-	-	-	-	-	**3.21**	-
Eureka Forbes Ltd.	-	-	-	-	0.38	0.37	-	-	-	-	-	-	**0.38**	0.37
Shapoorji Pallonji & Co. Pvt. Ltd.	0.29	-	-	-	-	-	-	-	-	-	-	-	**0.29**	-
Guarantees Given for / (Released) (Net)														
Afcons Gunanusa Joint Venture	-	-	-	-	-	-	-	(1.73)	-	-	-	-	**-**	(1.73)
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	(16.60)	(18.51)	-	-	-	-	**(16.60)**	(18.51)
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	(251.39)	320.91	-	-	-	-	**(251.39)**	320.91
Afcons Overseas Singapore Pte Ltd.	-	-	135.23	-	-	-	-	-	-	-	-	-	**135.23**	-
Afcons Overseas Project Gabon SARL	-	-	(99.25)	5.44	-	-	-	-	-	-	-	-	**(99.25)**	5.44
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	(4.08)	16.52	-	-	-	-	-	-	-	-	**(4.08)**	16.52
Afcons SMC Joint Venture, Tanzania	-	-	-	-	-	-	(24.97)	78.00	-	-	-	-	**(24.97)**	78.00
Afcons - Vijeta - PES Joint Venture	-	-	-	-	-	-	46.06	43.75	-	-	-	-	**46.06**	43.75
Afcons - Vijeta Joint Venture	-	-	-	-	-	-	3.68	27.34	-	-	-	-	**3.68**	27.34
Afcons – Sibmost – Joint Venture	-	-	-	-	-	-	71.00	(13.57)	-	-	-	-	**71.00**	(13.57)
Afcons - KPTL Joint Venture	-	-	-	-	-	-	103.99	-	-	-	-	-	**103.99**	-
SBLC Given for / (Released)														
Afcons Overseas Singapore Pte Ltd.	-	-	-	(33.84)	-	-	-	-	-	-	-	-	**-**	(33.84)
Outstanding amount of guarantee given														
Afcons Gunanusa Joint Venture	-	-	-	-	-	-	417.95	375.95	-	-	-	-	**417.95**	375.95
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	103.18	120.71	-	-	-	-	**103.18**	120.71
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	551.74	801.62	-	-	-	-	**551.74**	801.62
Dahej Standby Jetty Project Undertaking	-	-	-	-	-	-	58.04	112.21	-	-	-	-	**58.04**	112.21
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	19.90	22.98	-	-	-	-	-	-	-	-	**19.90**	22.98
Afcons Overseas Singapore Pte Ltd.	-	-	135.23	-	-	-	-	-	-	-	-	-	**135.23**	-
Afcons Overseas Project Gabon SARL	-	-	47.83	147.98	-	-	-	-	-	-	-	-	**47.83**	147.98
Afcons SMC Joint Venture, Tanzania	-	-	-	-	-	-	68.50	89.16	-	-	-	-	**68.50**	89.16
Afcons - Vijeta - PES Joint Venture	-	-	-	-	-	-	120.05	73.99	-	-	-	-	**120.05**	73.99
Afcons - Vijeta Joint Venture	-	-	-	-	-	-	31.02	27.34	-	-	-	-	**31.02**	27.34
Afcons – Sibmost – Joint Venture	-	-	-	-	-	-	292.18	221.18	-	-	-	-	**292.18**	221.18
Afcons - KPTL Joint Venture	-	-	-	-	-	-	118.00	-	-	-	-	-	**118.00**	-
Outstanding amount of SBLC given														
Afcons Overseas Singapore Pte Ltd.	-	-	31.24	55.31	-	-	-	-	-	-	-	-	**31.24**	55.31
Outstanding Amount Loans & Advances Recoverable / Payable (Net)														
Afcons Construction Mideast, LLC	-	-	52.17	110.39	-	-	-	-	-	-	-	-	**52.17**	110.39
Afcons Gunanusa Joint Venture	-	-	-	-	-	-	-	33.19	-	-	-	-	**-**	33.19
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	10.64	8.76	-	-	-	-	**10.64**	8.76
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	4.66	3.55	-	-	-	-	**4.66**	3.55
Saipem Afcons Joint Venture	-	-	-	-	-	-	-	0.29	-	-	-	-	**-**	0.29
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	(1.86)	-	-	-	-	-	-	-	-	**-**	(1.86)
Ircon-Afcons Joint Venture	-	-	-	-	-	-	(0.02)	(0.03)	-	-	-	-	**(0.02)**	(0.03)
Afcons (Mideast) Constructions and Investments Private Limited	-	-	-	-	-	-	-	-	-	0.00	-	-	**-**	0.00
Afcons Corrosion Protection Pvt Ltd	-	-	0.04	-	-	-	-	-	-	-	-	-	**0.04**	-

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 36 Related party disclosures (Continued)

(b) Details of transactions with related party for the period 01st April, 2018 to 31st March, 2019 **(₹ In Crores)**

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Associate Company		Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Afcons Saudi Constructions LLC	-	-	0.75	0.56	-	-	-	-	-	-	-	-	**0.75**	0.56
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	-	-	1.79	1.31	-	-	-	-	**1.79**	1.31
Afcons Overseas Project Gabon SARL	-	-	1.04	0.32	-	-	-	-	-	-	-	-	**1.04**	0.32
Afcons Overseas Singapore Pte Ltd.	-	-	-	0.94	-	-	-	-	-	-	-	-	**-**	0.94
Afcons - KPTL Joint Venture	-	-	-	-	-	-	(13.03)	-	-	-	-	-	**(13.03)**	-
Trade Receivables														
Afcons Construction Mideast, LLC	-	-	31.95	15.99	-	-	-	-	-	-	-	-	**31.95**	15.99
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	4.38	4.80	-	-	-	-	**4.38**	4.80
Shapoorji Pallonji & Co. Pvt. Ltd.	0.07	0.51	-	-	-	-	-	-	-	-	-	-	**0.07**	0.51
Ircon-Afcons Joint Venture	-	-	-	-	-	-	-	0.00	-	-	-	-	**-**	0.00
Afcons Overseas Singapore Pte Ltd.	-	-	4.80	1.81	-	-	-	-	-	-	-	-	**4.80**	1.81
Afcons Overseas Project Gabon SARL	-	-	4.86	6.15	-	-	-	-	-	-	-	-	**4.86**	6.15
Armada Madura EPC Limited	-	-	-	-	-	0.04	-	-	-	-	-	-	**-**	0.04
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	12.54	11.50	-	-	-	-	**12.54**	11.50
Afcons - KPTL Joint Venture	-	-	-	-	-	-	0.10	-	-	-	-	-	**0.10**	-
Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	-	-	-	29.74	-	-	-	-	-	-	-	**29.74**	-
Shapoorji Pallonji Pandoh Takoli Highway Private Limited	-	-	-	-	8.88	-	-	-	-	-	-	-	**8.88**	-
Trade Payable														
Forvol International Service Ltd	-	-	-	-	3.10	1.69	-	-	-	-	-	-	**3.10**	1.69
Forbes Facility Services Pvt Ltd	-	-	-	-	0.92	1.29	-	-	-	-	-	-	**0.92**	1.29
Shapoorji Pallonji Oil and Gas Private Limited	-	-	-	-	0.28	-	-	-	-	-	-	-	**0.28**	-
Shapoorji Pallonji Pandoh Takoli Highway Private Limited	-	-	-	-	196.16	-	-	-	-	-	-	-	**196.16**	-
Shapoorji Pallonji Qatar WLL	-	-	-	-	28.26	26.47	-	-	-	-	-	-	**28.26**	26.47
Eureka Forbes Ltd.	-	-	-	-	0.09	0.19	-	-	-	-	-	-	**0.09**	0.19
S.D. Corporation Pvt. Ltd.	-	-	-	-	-	0.00	-	-	-	-	-	-	**-**	0.00
Forbes & Company Limited	-	-	-	-	-	0.05	-	-	-	-	-	-	**-**	0.05
Forbes Enviro Solutions Ltd	-	-	-	-	0.02	-	-	-	-	-	-	-	**0.02**	-
Shapoorji Pallonji & Co. Pvt. Ltd.	0.04	25.30	-	-	-	-	-	-	-	-	-	-	**0.04**	25.30
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	6.10	1.63	-	-	-	-	-	-	-	-	**6.10**	1.63
Afcons Construction Mideast, LLC	-	-	3.34	-	-	-	-	-	-	-	-	-	**3.34**	-
Afcons Overseas Project Gabon SARL	-	-	1.43	0.35	-	-	-	-	-	-	-	-	**1.43**	0.35
Afcons Overseas Singapore Pte Ltd.	-	-	0.21	-	-	-	-	-	-	-	-	-	**0.21**	-
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	0.04	0.08	-	-	-	-	**0.04**	0.08
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	0.52	-	-	-	-	-	**0.52**	-

Note : Amount mentioned as "0.00" is below the rounding off norms adopted by the Company.

Note 37. The Company had issued ₹ 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. Out the above NCDs aggregating to ₹ 50 crores are outstanding as on 31.03.19. The said NCDs issued 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,

Note 38 (a). Afcons Gunanusa Joint Venture (AGJV) had submitted claims for change orders aggregating to ₹ 679.21 crore to ONGC. The 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 ₹ 407.13 crore will be discussed in arbitration.

(b) Afcons Infrastructure Limited has given advances agreegating to ₹ 184.97 Crores which are receivable from AGJV. The recovery of this amount is dependent upon finalization of arbitration award.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 39 (a). Transtonnelstroy Afcons Joint Venture had submitted variations to the client for two projects arising on account of cost overruns due to unforeseen geological conditions, delays in handing over of land, change in scope of work etc., which the Management believes is attributable to the client and the matters are under negotiation with the client/in arbitration /are referred to Dispute Adjudication Board for determination and recovery of the amounts.

In the earlier years, Joint Venture had received arbitration awards in few of the matters. The Client has further challenged these arbitration awards before the Hon'ble High Court, Madras. Pending disposal of these matters in the court, client has, upon submission of the bank guarantee by the Joint Venture, deposited part of the award amount with the Joint Venture, pursuant to an interim stay order from Hon'ble High Court, Madras.

Based on the Management's estimate of the timing and amount of recoverability which is supported by legal opinion and technical evaluation, the amounts recognized towards these variations/claims as at the year-end are included in Note 7 'Amounts due from Customers under Construction contracts' as Other Current and Non-current assets amounting to ₹ 430.11 crores and ₹ 570.00 crores respectively (Previous Year ₹ 688.50 crores and ₹ 278.02 crores respectively) and have been considered as good and fully recoverable by the Management and it does not anticipate any further loss to be recognized at this stage

(b) Transtonnelstroy Afcons JV (TTAJV) has a total exposure of ₹ 1,099 Crores in Chennai Metro Rail Ltd. (CMRL) which includes trade receivables of ₹ 99 Crores and unbilled receivables of ₹ 1,000 Crores.

TTAJV has put a ₹ 1,968 Crores variations on CMRL which are pending at different stages as follows:

- Variations of ₹ 1167 Crores on account of extended stay Cost (March 2016 to December 2018).
- Variations of ₹ 218 Crores with internal dispute adjudicating board (DAB) which are on account of Change in site condition/soil strata (unforeseeable Sub-surface condition).
- Variations under arbitration of ₹ 452 Crores on account of extended stay cost until March 30, 2016; and
- Arbitration won to the extent of ₹ 131 Crores (money is pending to be realised.)

Afcons Infrastructure Limited (AIL) has undertaken sub-contracting work of ₹ 436.46 Crores from TTAJV for CMRL and as at 31st March 2019, total receivable due from TTAJV is ₹ 888 Crores. An amount of ₹ 422 Crores is pending towards subcontracting work and the balance ₹ 466 Crores is pending towards advances given to TTAJV. AIL is not the party to the arbitration/claims and the recovery of this amount is dependent upon finalization of arbitration award and clearance /acceptance of claims by CMRL.

Note 40. (a) The Company has been legally advised that outstanding interest free advances aggregating to ₹ 985.76 crores (As at 31st March, 2018 ₹ 556.84 crores) made towards financing the unincorporated joint operations 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. 4.

Note 41. During the earlier year, Company had invoked bank guarantee amounting to ₹ 62.97 crores 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 ₹ 506.78 crores 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 ₹ 626.86 crores on account of delays and incomplete work done by the sub-contractor. An amount aggregating to ₹ 119.50 crores (including ₹ 62.97 crores received on invocation of bank guarantee) is outstanding (net of receivables) as on 31st March 2019 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

Note 42. Konkan Railway Corporation Limited (KRCL) had issued a contract for Construction of Arch Steel Bridge across river Chenab on 24th August, 2004. The DBN (Design Basis Note) submitted by KRCL during the tender stage was revised in 2005 and subsequently in 2006 and 2010. The project got delayed due to various reasons such as changes in design parameters, wind load during service condition, arch span, finalization of slope stabilization etc.

Due to the above, the Company has raised two variations amounting to ₹1,448 Crores which are towards additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment, pend period cost etc. These variation costs have already been charged off to profit and loss account in past. Apart from this, negotiations are in progress with KRCL for variations towards increase in steel quantity due to change in design. The value involved is around ₹115 crores including escalation. Against these variations and increase in steel quantity, the total unbilled receivable amounting to ₹ 309.72 crores is outstanding as at March 31, 2019.

Based on the opinion from independent expert and the facts of the case, the management is confident of getting a favorable judgement and recover all the dues related to this project.

Note 43. The Company had executed project awarded by the Board of Trustees of the port of Mumbai (MbPT) for Modernization of the existing Marine Oil Terminal and berths/jetties J1, J2 and J3 at the Multi-cargo Marine Oil Terminal of Jawahar Dweep based in Mumbai Harbor. The project had completed in June 2003.

The company had gone into arbitration with MbPT for compensation for extended stay related to projects and was successful in getting an award of ₹ 96.02 Crores including interest till the date of award, in its favour on November 2011. However, The Award was challenged by MbPT u/s 34 of Arbitration and Conciliation Act, 1996 to the Single Bench Bombay High Court. Single Bench had set aside the award and passed the order in favor of MbPT. The Company filed an appeal with the High Court of Mumbai for a two bench Judge as against order of Single Bench. The appeal was admitted by High Court for two bench Judge in the month of April 2018 for hearing. Considering the legal opinion obtained and fact of the matter, the Company is confident of recovering the entire amount from MbPT in future.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 44. Financial instruments

44.1 Capital management

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

The capital structure of the Company consists of net debt (borrowings as detailed in notes 14 ,16 and 20 offset by cash and bank balances) and total equity of the Company.

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital and the risks associated with each class of capital. The gearing ratio at March 31, 2019 is 0.79 (net debt/equity).

44.1.1 Gearing ratio

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

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Debt (i)	1,572.60	1,659.07
Cash and bank balances	209.84	65.54
Net debt	1,362.76	1,593.53
Total Equity (ii)	1,733.32	1,609.75
Net debt to equity ratio	**0.79**	**0.99**

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts).

(ii) Equity includes all capital and reserves of the Company that are managed as capital.

44.2 Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value except non current investments in un-quoted equity instruments, which are carried at cost.

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Mutual fund investments	-	-
Measured at amortised cost		
(a) Trade receivables	2,096.72	1,452.95
(b) Cash and bank balances	209.84	65.54
(c) Bank balance other than (b) above	18.73	17.88
(d) Loans	71.51	159.31
(e) Other financial assets	330.85	3,367.09
Measured at FVTOCI		
(a) Investments in equity instruments	0.55	0.49
Total Financial Assets	**2,728.20**	**5,063.26**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,572.60	1,659.07
(b) Trade payables	2,608.18	1,763.33
(c) Other financial liabilities	185.60	756.95
Total Financial Liabilities	**4,366.38**	**4,179.35**

44.3 Financial risk management objectives

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk assessment and analyses forex exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The risk management is governed by the Company's policy approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

44.4 Market risk

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

44.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arises. Exchange rate exposures are managed within approved policy parameters utilising appropriate derivative instruments.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 44. Financial instruments (Continued)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

₹ in Crores

Particulars	Liabilities		Assets	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
USD Currency	266.58	232.50	90.60	81.99
EURO Currency	67.32	73.41	9.16	1.55
QAR Currency	56.18	68.39	63.04	74.70
OMR Currency	0.09	0.07	0.01	0.60
MUR Currency	162.93	0.16	47.81	0.01
UAE Currency	81.24	0.69	139.04	121.18
JOD Currency	93.49	91.31	89.22	74.44
BHD Currency	3.02	2.35	13.10	26.70
KWD Currency	406.28	260.21	452.40	215.60
GBP Currency	0.19	0.57	-	1.09
JPY Currency	-	2.69	4.22	-
BDT Currency	38.71	2.11	19.98	3.17
SAR Currency	0.09	0.01	0.74	0.56
GHS Currency	843.57	534.97	384.19	142.89
SGD Currency	0.08	0.08	-	-
CHF Currency	0.15	-	-	-
GNF Currency	0.43	0.40	-	-
IQD Currency	0.04	0.04	-	-
MYR Currency	0.08	0.08	-	-
ZMW Currency	535.31	3.39	-	10.84
MZN Currency	122.83	-	75.18	0.01
MRU Currency	4.73	-	0.45	-
BTN Currency	22.55	-	7.44	-

44.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency of USD, EURO, KWD, GHS, ZMW and MUR currency.

The following table details the Company's sensitivity to a 5% increase and decrease in the Indian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding on receivable and payables in the Company at the end of the reporting period.The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in the profit or equity where the Indian Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency , there would be a comparable impact on the profit or equity, and the balances below would be negative. The impact of 5 % is also applicable on outstanding foreign currency loans as on the reporting date.

Particulars	USD Currency Impact		EURO Currency Impact		KWD Currency Impact	
	2018- 2019	2017- 2018	2018- 2019	2017- 2018	2018- 2019	2017- 2018
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(8.80)	(7.53)	(2.91)	(3.59)	2.31	(2.23)
Decrease in exchange rate by 5%	8.80	7.53	2.91	3.59	(2.31)	2.23

Particulars	GHS Currency Impact		ZMW Currency Impact		MUR Currency Impact	
	2018- 2019	2017- 2018	2018- 2019	2017- 2018	2018- 2019	2017- 2018
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(22.97)	(19.60)	(26.77)	0.37	(5.76)	(0.01)
Decrease in exchange rate by 5%	22.97	19.60	26.77	(0.37)	5.76	0.01

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

44.5.2 Derivative financial instruments

There are no derivative financial instruments outstanding at the end of the reporting period.

44.6 Interest rate risk management

The Company is exposed to interest rate risk because Company borrows foreign currency and local currency funds at floating interest rates and the risk is managed by the use of interest rate swap contracts and other similar products when required and regular internal discussion. The policy is evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 44. Financial instruments (Continued)

44.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2019 would decrease / increase by ₹ 2.64 crores (2018: decrease / increase by ₹ 2.53 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

44.6.2 Interest rate swap contracts

Under interest rate swap contracts, the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates and the cash flow exposures on the issued variable rate debt.

44.7 Other price risks

The Company is exposed to equity price risks arising from mutual funds and equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenor of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

44.7.1 Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

i) other comprehensive income for the year ended March 31, 2019 would increase/decrease by ₹ 0.03 crores (2017-2018: increase / decrease by ₹ 0.02 crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

44.8 Credit risk management

The Company is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, bank deposits, trade receivables and loan receivables. The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

Cash and cash equivalents, bank deposits are held with only high rated banks/financial institutions, credit risk on them is therefore insignificant.

Trade receivables and loan receivable

The Company assesses and manages credit risk on an internal credit evaluation system. It is performed by the finance team in conjunction with the relevant business teams depending on whether depending on the nature and type of the financial asset being evaluated.

The customer base of the Company is highly comprises of government parties and Holding Company. Further, Company is having certain short term loan receivables from the Group entities. Collateral is generally not obtained from customers. Other customers are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from group companies, they have been considered to enjoy the low credit risk as they meet the following criteria:
    - i) they have a low risk of default,
    - ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and
    - iii) the Company expect, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfill its obligations.

(B) For other trade receivables, the Company uses "General Model" for the measurement of expected credit loss (ECL) for trade receivables as well as loan receivable.

The measurement of ECL under general model depends on whether credit risk has increased significantly since initial recognition. These credit risk is regularly monitored based on historic turnover activity and credit performance of every customer. In addition, overdue receivable balances are monitored and actioned on a regular basis. When the credit risk has not increased significantly after initial recognition, a provision shall be made for the 12-month expected loss, otherwise shall be made for the entire lifetime.

The Company considers the probability of default upon initial recognition of asset and whether there is a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information which considers multiple factors such as:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increase in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 44. Financial instruments (Continued)

The Company has used practical expedient by computing expected credit loss allowance for trade receivable by taking into consideration payment profiles of sales over a period of 60 months before the reporting date and the corresponding historical credit loss experiences within this period. The historical loss rates are adjusted to reflect current and forward looking information on macro economic factors affecting the ability of the customers to settle the receivables. The expected credit loss is based on the Ageing of the days, the receivables due and the expected credit loss rate. In addition, in case of event driven situation as litigations, disputes, change in customer's credit risk history, specific provisions are made after evaluating the relevant facts and expected recovery.

Refer note 5 for reconciliation of expected credit loss balance on financial assets.

44.9 Liquidity risk management

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

44.9.1 Liquidity risk table

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include principal cash flows along with interest. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

₹ in Crores

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1-5 years	5+years	Total
31st March, 2019					
Borrowings	8.73%	977.73	728.24	48.49	**1,754.46**
Trade payables		2,226.89	381.29	-	**2,608.18**
Other financial liabilities		71.61	107.73	-	**179.34**
		3,276.23	**1,217.26**	**48.49**	**4,541.98**
31st March, 2018					
Borrowings	8.54%	1,012.14	836.82	43.51	**1,892.47**
Trade payables		1,567.58	195.75	-	**1,763.33**
Other financial liabilities		538.72	209.92	-	**748.64**
		3,118.44	**1,242.49**	**43.51**	**4,404.44**

The Company is exposed to credit risk in relation to guarantees given. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on (see Note 30). Based on expectations at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the beneficiary under the guarantee may default.

44.10 Fair value measurements

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

44.10.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

₹ in Crores

Financial assets / Financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2019	As at 31st March, 2018		
1) Foreign currency options	Nil	Nil	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2) Investments in mutual funds at FVTPL (quoted)	-	-	Level 1	Fair value of quoted current investments in mutual funds is based on price quotations at the reporting date.
3) Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.55	0.49	Level 1	Quoted bid prices in an active market

Footnote 1: These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

There were no transfers between Level 1 and 2 in the period.

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 44. Financial instruments (Continued)

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

The carrying amounts of the following financial assets and financial liabilities (other than Long Term Borrowings) are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

a) Financial Assets
   - Cash and bank balances
   - Bank balance other than above
   - Trade receivables
   - Loans
   - Other financial assets

b) Financial Liabilities
   - Short term borrowings
   - Trade payables
   - Other financial liabilities

The carrying amount and fair value of Long Term Borrowings, which are measured at amortised cost is disclosed in table below :

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**778.41**	**783.81**	**905.16**	**920.94**
- Borrowings	778.41	783.81	905.16	920.94

Note No 45. Disclosure pursuant to Ind AS 115, "Revenue from Contracts with Customers".

The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115 has been adjusted against the Retained earnings as at 1st April, 2018. Accordingly, the figures of the previous year are not restated under Ind AS 115.

(i) The Impact on the Company's retained earning as at 1st April, 2018 is as follows: ₹ in Crores

Particular	1st April 2018
Retained earnings	923.90
Adjustment to retained earnings from adoption of Ind AS 115	27.00
Restated opening balance as on 1st April, 2018	**950.90**

(ii) Disaggregation of revenue from contracts with customers: ₹ in Crores

Particulars	As on 31st March, 2019
Segment revenue	
India	5,515.01
Outside India	2,216.89
Revenue from external customers	**7,731.90**

Particulars	As on 31st March, 2019
Timing of revenue recognition	
At a point in time	76.41
Over time	7,655.49
	7,731.90

(iii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting period is ₹ 29,692.32 Crores. Management expects that about 30% of the transaction price allocated to unsatisfied contracts as of 31st March, 2019 will be recognized as revenue during next reporting period depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

(iv) Reconciliation of revenue recognised with contract price: ₹ in Crores

Particular	As on 31st March, 2019
Revenue as per contract price	7,832.51
Adjustment for payments on behalf of customer	100.61
Revenue from Operations	**7,731.90**

Notes forming part of the financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 45. Disclosure pursuant to Ind AS 115, "Revenue from Contracts with Customers". (Continued)

(v) Disclosure of amount by which financial statements are impacted by application of Ind AS 115 as compared to Ind AS 11 and Ind AS 18:

(a) "Contract assets" namely "Amount due from customers for the contract works" were previously presented as part of "other financial assets" amounting to ₹ 3,014.58 Crores as at 31st March, 2018. (Refer note 7.1 and 8.1)

(b) "Contract liabilities" namely "Advance from customers" and "Amount due to customers" were previously presented as part of "Other financial liabilities" and "Other non-current and current liabilities" ₹ 1,808.88 Crores and ₹ 397.37 crores as at 31st March, 2018. (Refer note 16 and 17)

(c) Line item of statement of profit and loss were not affected by the application of Ind AS 115.

₹ in Crores

Particulars	As at 31-3-2019 as per Ind AS 11 and Ind AS 18	Impact of application of Ind AS 115 Increase/(decrease)		As at 31-3-2019 after application of Ind AS 115
		Transition impact as of Ind AS 115 at April 1, 2018	For the year 2018-19	
Assets	9,743.38	32.03	(17.97)	9,757.44
Liabilities	7,967.71	5.03	51.38	8,024.12
Equity	1,706.32	27.00	-	1,733.32

(vi) Disclosure pursuant to Ind AS 115, "Revenue from Contracts with Customers" ₹ in Crores

Particulars	For the year 2018-19		
	As per Ind AS 11 and Ind AS 18	Impact of application of Ind AS 115 Increase / (decrease)	After application of Ind AS 115
Revenue from operations	7,742.38	(10.48)	7,731.90
Other Income	203.39	-	203.39
Construction and operating expenses	5,892.01	-	5,892.01
Administration and other expenses	1,855.80	(22.38)	1,833.42
Profit before tax	197.96	11.90	209.86
Tax expenses	84.81	-	84.81
Profit after tax	113.15	11.90	125.05
Basic earnings per share	15.71	1.66	17.37
Diluted earnings per share	3.32	0.35	3.67

In terms of our report attached

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

P.N.KAPADIA
Director
Din:00078673

N.D.KHURODY
Director
Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Afcons Infrastructure Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Afcons Infrastructure Limited in which are incorporated 14 jointly controlled operations (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its 12 subsidiaries together referred to as "the Group"), (refer Note 36 and 2(B) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2019 and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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, as at March 31, 2019 of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 13 of the Other Matters paragraph below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 14 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention to Note 42 of the consolidated financial statements, regarding delay in recovery of amount Rs. 309.72 Crore from a customer in respect of a project, disclosed under Current Assets, which is dependent upon finalization of arbitration award in favour of the Company. Further, the Company has also preferred other claims in respect of the same project as mentioned in the note.

5. We draw attention to Note 39 (b) of the consolidated financial statements, regarding delay in recovery of amount Rs. 888 Crore disclosed under Current Asset from a customer, which is dependent upon finalization of arbitration award in favour of the Company. In addition, the Company has preferred two claims in respect of the same project as mentioned in the note.

   We draw your attention to the following paragraph included in the audit report on the standalone financial statements of Transtonnelstroy Afcons (a joint control operation) issued by an independent firm of chartered accountants vide its report dated June 24, 2019. "We draw attention to note no. 32 to the Ind AS financial statements, which describes the uncertainties relating to the outcome of the negotiation/arbitration/ Dispute Adjudication Board proceedings in respect of variations recognised by the joint venture in current and earlier year on account of cost overrun due to unforeseen geological conditions, delays in handing over of land, change in scope of work, etc. Based on the Management's estimates of the timing and amount of recoverability which is supported by legal opinion and technical evaluation, the amounts recognised as amount due from customers under construction contract as stated above are considered as good and fully recoverable by the management."

   Our opinion is not modified in respect of these matters.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance, conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 13 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group 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; 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 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.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
12. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

14. We did not audit the financial statements of 6 subsidiaries, and 13 jointly controlled operation whose financial statements reflect total assets of Rs 3,506.19 Crore and net assets of Rs 293.87 Crore as at March 31, 2019, total revenue of Rs. 3,583.70 Crore, total comprehensive income (comprising of profit / loss and other comprehensive income) of Rs 37.65 Crore and net cash outflows amounting to Rs. (52.85) Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint control operation and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, joint control operation, is based solely on the reports of the other auditors.
15. We did not audit the financial statements 6 subsidiaries, and 1 jointly controlled operation whose financial statements reflect total assets of Rs. 4.57 Crore and net assets of Rs. 3.08 Crore as at march 31, 2019, total revenue of Rs. (0.21) Crore, total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs. 1.03 Crore and net cash flows amounting to Rs. (0.45) Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled operation and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and jointly controlled operation, is based solely on such unaudited financial statements.

    In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

16. 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, proper books of account as required by the Holding Company and its subsidiary incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained by the Holding Company and its subsidiary incorporated in India including relevant records for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary, incorporated in India, none of the directors of the Group is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit 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, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 29, 38, 39 and 41 to 44 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 as at March 31, 2019 Refer Note 18 to the consolidated financial statements in respect of such items as it relates to the Group and further, the group did not have any material foreseeable losses on derivative contracts as at March 31, 2019.

iii. The Group had long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses.

iv. 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 and jointly controlled operation incorporated in India during the year ended March 31, 2019.

v. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2019.

For Price Waterhouse
Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Sarah George
Partner
Membership No: 045255

Place : Mumbai
Date : 25th June, 2019

For HDS & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100144

Suresh K. Joshi
Partner
Membership No. 030035

Place : Mumbai
Date : 24th June, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of Afcons Infrastructure Limited on the consolidated financial statements for the year ended March 31, 2019.

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019 , 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, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to 14 Joint Control operations and 12 Subsidiaries.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies and joint control operations, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement , including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained 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 audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company, 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 March 31, 2019 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.

Other Matters

9. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to 14 Joint Control operations and 12 Subsidiaries.

For Price Waterhouse
Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Sarah George
Partner
Membership No: 045255

Place : Mumbai
Date : 25th June, 2019

For HDS & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100144

Suresh K. Joshi
Partner
Membership No. 030035

Place : Mumbai
Date : 24th June, 2019

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

Consolidated Balance Sheet as at 31st March, 2019

₹ in Crores

	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	1,684.28	1,594.09
	(b) Capital work-in-progress		30.54	21.74
	(c) Goodwill	3.B	5.32	5.16
	(d) Intangible assets	3.C	1.19	1.73
	(e) Financial assets			
	(i) Investments	4	3.15	2.94
	(ii) Trade receivables	5	234.21	125.04
	(iii) Other financial assets	7	134.72	787.71
	(f) Non current tax assets (net)	11	122.96	71.65
	(g) Other non-current assets	8	1,509.83	90.00
	Total Non-current Assets		**3,726.20**	**2,700.06**
2	**Current assets**			
	(a) Inventories	9	857.00	557.86
	(b) Financial assets			
	(i) Trade receivables	5	2,053.62	1,431.38
	(ii) Cash and cash equivalents	10	317.44	126.27
	(iii) Bank balances other than (ii) above	10.1	25.10	28.09
	(iv) Loans	6	63.94	91.02
	(v) Other financial assets	7	202.48	2,955.37
	(c) Other current assets	8	3,211.39	307.98
	Total Current Assets		**6,730.97**	**5,497.97**
	Total Assets (1+2)		**10,457.17**	**8,198.03**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Equity share capital	12	521.97	521.97
	Other equity	13	1,500.82	1,269.08
	Equity attributable to shareholders of the Company		2,022.79	1,791.05
	Non controlling interest		(15.55)	(9.89)
	Total Equity		**2,007.24**	**1,781.16**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	650.35	755.72
	(ii) Trade payables	15	381.29	195.75
	(iii) Other financial liabilities	16	107.73	209.92
	(b) Provisions	18	24.38	7.76
	(c) Deferred tax liabilities (net)	21	180.42	163.29
	(d) Other non-current liabilities	17	1,615.63	763.09
	Total Non-current Liabilities		**2,959.80**	**2,095.53**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	855.05	769.37
	(ii) Trade payables	15	2,495.93	1,843.47
	(iii) Other financial liabilities	16	205.93	696.05
	(b) Provisions	18	15.58	32.61
	(c) Current tax liabilities (net)	19	12.17	11.26
	(d) Other current liabilities	17	1,905.47	968.58
	Total Current Liabilities		**5,490.13**	**4,321.34**
	Total Liabilities (A+B)		**8,449.93**	**6,416.87**
	Total Equity and Liabilities (1+2)		**10,457.17**	**8,198.03**
	See accompanying notes 1 to 46 forming part of the financial statements			

In terms of our report attached

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

P.N.KAPADIA
Director
Din:00078673

N.D.KHURODY
Director
Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019 ₹ in Crores

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1	Revenue from operations	22	8,726.82	6,551.09
2	Other income	23	148.86	136.64
3	**Total income (1 + 2)**		**8,875.68**	**6,687.73**
4	**Expenses**			
	(a) Cost of material consumed	24	2,115.81	1,941.82
	(b) Cost of construction	24.1	4,371.47	2,424.10
	(c) Employee benefits expense	25	823.39	754.18
	(d) Finance costs	26	284.68	306.21
	(e) Depreciation and amortisation expense	27	248.56	200.61
	(f) Other expenses	28	712.51	816.67
	Total expenses		**8,556.42**	**6,443.59**
5	**Profit before tax (3 - 4)**		**319.26**	**244.14**
6	**Tax expense:**	21		
	(a) Current tax		116.28	56.56
	(b) Deferred tax		(35.96)	26.02
	(c) Tax expense/(income) relating to prior year (net)		4.50	(2.56)
			84.82	**80.02**
7	**Profit for the year (5 - 6)**		**234.44**	**164.12**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investments measured at FVOCI		0.21	7.86
	(b) Remeasurements of defined benefit plans		(3.84)	(0.85)
	(c) Deferred tax on remeasurement of defined benefit plans		1.34	0.30
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation		2.35	17.34
	(b) Income tax relating to items that will not be reclassified to profit or loss #		#	#
	# Amount is below the rounding off norms adopted by the group.			
			0.06	**24.65**
9	**Total comprehensive income for the year (7 + 8)**		**234.50**	**188.77**
	Profit for the year attributable to:			
	- Owners of the Company		240.10	173.61
	- Non-controlling interest		(5.66)	(9.49)
			234.44	**164.12**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		0.06	24.65
	- Non-controlling interest		-	-
			0.06	**24.65**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		240.16	198.26
	- Non-controlling interest		(5.66)	(9.49)
			234.50	**188.77**
10	**Earnings per share (Face value of ₹ 10 each):**	31		
	(a) Basic		32.57	22.80
	(b) Diluted		6.88	4.82
	See accompanying notes 1 to 46 forming part of the financial statements			

In terms of our report attached | **For and on behalf of the Board of Directors**

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

S.P.MISTRY — **Chairman** — **Din:00010114**

K.SUBRAMANIAN — **Executive Vice Chairman** — **Din:00047592**

S.PARAMASIVAN — **Managing Director** — **Din:00058445**

P.N.KAPADIA — **Director** — **Din:00078673**

N.D.KHURODY — **Director** — **Din:00007150**

R.M.PREMKUMAR — **Director** — **Din:00328942**

ASHOK G.DARAK — **Chief Financial Officer**

GAURANG M. PAREKH — **Company Secretary**

Place: Mumbai
Date: 24th June, 2019

Consolidated statement of changes in equity for the year ended 31st March, 2019

a) Equity share capital ₹ in Crores

Balance as at 1st April, 2018	71.97
Changes in equity share capital	-
Balance as at 31st March, 2019	**71.97**

b) Preference share capital ₹ in Crores

Balance as at 1st April, 2018	450.00
Changes in preference share capital	-
Balance as at 31st March, 2019	**450.00**

c) Other equity ₹ in Crores

Particulars	Reserve and surplus							Other comprehensive income		Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contingencies reserve	Debenture redemption reserve	General reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income	
Balance as at 1st April, 2017	0.84	0.13	10.28	8.00	42.50	66.04	966.70	(5.28)	11.57	**1,100.78**
Profit for the year	-	-	-	-	-	-	173.61	-	-	**173.61**
Other comprehensive income for the year	-	-	-	-	-	-	(0.55)	17.34	7.86	**24.65**
Dividends including tax thereon	-	-	-	-	-	-	(29.96)	-	-	**(29.96)**
Transferred to / (from) retained earnings	-	-	-	-	18.75	-	(18.75)	-	-	**-**
Balance as at 31st March, 2018	**0.84**	**0.13**	**10.28**	**8.00**	**61.25**	**66.04**	**1,091.05**	**12.06**	**19.43**	**1,269.08**
Balance as at 1st April, 2018	0.84	0.13	10.28	8.00	61.25	66.04	1,091.05	12.06	19.43	**1,269.08**
Adjustment for Ind AS 115	-	-	-	-	-	-	27.00	-	-	**27.00**
Restated Opening balance as at 1st April, 2018	0.84	0.13	10.28	8.00	61.25	66.04	1,118.05	12.06	19.43	**1,296.08**
Profit for the year	-	-	-	-	-	-	240.10	-	-	**240.10**
Other comprehensive income for the year	-	-	-	-	-	-	(2.50)	2.35	0.21	**0.06**
Dividends including tax thereon	-	-	-	-	-	-	(25.25)	-	-	**(25.25)**
Transfer (from) / to debenture redemption reserve	-	-	-	-	(18.75)	-	18.75	-	-	**-**
Other adjustment	-	-	-	-	-	(0.29)	(9.88)	-	-	**(10.17)**
Balance as at 31st March, 2019	**0.84**	**0.13**	**10.28**	**8.00**	**42.50**	**65.75**	**1,339.27**	**14.41**	**19.64**	**1,500.82**

In terms of our report attached

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
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S.PARAMASIVAN
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Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

Consolidated Cash Flow Statement for the year ended 31st March, 2019

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash flow from operating activities		
Profit after tax	234.44	164.12
Adjustments for :		
Income tax expense recognised in profit or loss	84.82	80.02
Depreciation and amortisation	248.56	200.61
Loss on sale of fixed assets *(net)*	4.16	2.84
Dividend income recognised in profit or loss	-	(1.61)
Interest income recognised in profit or loss	(89.61)	(90.51)
Insurance claim received	(9.26)	(9.47)
Finance cost	284.68	306.21
Remeasurement of defined benefit liabilities / (assets) through OCI	(2.50)	(0.55)
Bad/irrecoverable debtors / unbilled revenue / advances / duty scrip w/off	45.56	171.19
Provision for doubtful advances no longer required written back	(0.36)	(3.05)
Provision for expected credit loss	6.36	(0.04)
Creditors / excess provision written back	(3.06)	(17.69)
Net (gain) / loss arising on financials assets measured at fair value through profit or loss	-	(0.03)
Provision for projected losses on contract (net)	(2.15)	5.86
Operating profit before working capital changes	**801.64**	**807.90**
Decrease / (increase) in inventories	(299.14)	0.66
(Increase) in trade receivables	(737.77)	(662.05)
(Increase) in loans and other assets	(950.13)	(518.91)
Increase in trade, other payables and provisions	2,063.35	1,141.75
Cash from operations	**877.95**	**769.35**
Direct taxes - (paid) (including interest and refunds)	(118.09)	(56.15)
Net Cash flow from operating activities	**759.86**	**713.20**
Cash flow from investing activities		
Payment for property, plant and equipment	(362.18)	(196.34)
Proceeds from disposal of property, plant and equipment	7.46	6.81
Dividend received	-	1.61
Proceeds from sale of investment	-	104.97
Investment in other bank balance (made) / redeemed	2.99	0.89
Interest received	126.83	3.06
Insurance claim received	9.26	9.47
Net Cash flow (used in) investing activities	**(215.64)**	**(69.53)**
Cash flow from financing activities		
Proceeds from long-term borrowings	168.80	100.29
Repayment of long-term borrowings	(295.55)	(142.63)
(Repayment) / proceeds from short term borrowings - net	85.68	(298.61)
Finance cost	(286.73)	(306.87)
Dividend paid on equity shares (including tax thereon) (Interim)	(25.19)	(29.90)
Dividend paid on preference shares (including tax thereon)	(0.06)	(0.06)
Net Cash flow (used in) financing activities	**(353.05)**	**(677.78)**
Net (decrease) in cash and cash equivalents	**191.17**	**(34.11)**
Cash and cash equivalents at the beginning of the period	126.27	160.38
Cash and cash equivalents at the end of the period	**317.44**	**126.27**

Notes

1. The above Cash flow statement has been prepared under the "Indirect Method" set out in Ind AS 7 '*Cash Flow Statements*'.
2. Figures relating to previous year have been recast where necessary to conform to figures of the current year.

Consolidated Cash Flow Statement for the year ended 31st March, 2019 (Continued)

Net debt reconciliation

₹ in Crores

Particulars	31st March, 2019	31st March, 2018
Cash and Cash equivalent	317.44	126.27
Liquid investments	25.10	28.09
Current borrowings	(989.37)	(927.12)
Non-current borrowings	(650.35)	(755.72)
Net Debt	**(1,297.18)**	**(1,528.48)**

Particulars	Other assets		Liabilities from financing activities			Total
	Cash and bank overdraft	Liquid investment	Finance lease obligations	Non-current borrowings	Current borrowings	
Net Debt as on 1st April,2017	160.38	28.98	-	(765.22)	(1,259.23)	**(1,835.09)**
Cash flows	(34.11)	(0.89)	-	42.34	298.61	**305.95**
acquisitions - finance leases	-	-	-	-	-	**-**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	-	-	(68.86)	(192.91)	**(261.77)**
Interest paid	-	-	-	68.86	193.57	**262.43**
Net debt as on 31st March,2018	**126.27**	**28.09**	**-**	**(722.88)**	**(959.96)**	**(1,528.48)**
Cash flows	191.17	(2.99)	-	126.75	(85.68)	**229.25**
acquisitions - finance leases	-	-	-	-	-	**-**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	-	-	(64.47)	(156.63)	**(221.10)**
Interest paid	-	-	-	64.47	158.68	**223.15**
Net debt as on 31st March,2019	**317.44**	**25.10**	**-**	**(596.13)**	**(1,043.59)**	**(1,297.18)**

In terms of our report attached

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

P.N.KAPADIA
Director
Din:00078673

N.D.KHURODY
Director
Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019

Note 1. General information

Afcons Infrastructure Limited (the "Company" or "Afcons") is a limited company incorporated in India. Its parent company is Shapoorji Pallonji Company Private Limited.

The Company together with its Subsidiaries is herein after referred to as the "Group"

The address of its registered office is "Afcons House", 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Company and its subsidiaries and control operations (the "Group") are infrastructure activities. Afcons has a presence in almost the entire spectrum of infrastructure activities in India and overseas. The group is engaged in marine works, highways, bridges, metro works, power houses, tunnels, oil and gas, LNG tanks and other general civil engineering projects both in India and overseas.

Note 2. Significant Accounting Policies

i) Basis of preparation and presentation

The Balance Sheet as at March 31, 2019, the Statement of Profit and loss and Cash Flow Statement for the year ended March 31, 2019 along with Notes forming part of Consolidated Financial Statement (together known as "Consolidated Financial Statements") of the Group has been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended time to time) and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs.

ii) Current versus non-current classification

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

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

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

All other liabilities are classified as non-current.

iii) New standards or interpretations adopted by the Group

The Group has applied following standards and amendments for the first time for the annual reporting period commencing April 1, 2018:

- Ind AS 115, Revenue from Contracts with Customers
- Appendix B, Foreign Currency Transactions and Advances Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange Rates
- Amendment to Ind AS 40, Investment Property
- Amendment to Ind AS 12, Income Taxes

Most of the amendment listed above did not have impact on the amount recognised in prior period. Company has applied retrospective modified approach for Ind As 115, Revenue from Contract with Customers, except this amendment, non-of the above listed amendments have significant impact on the current or future period.

iv) New standards or interpretations issued but not yet effective

The Ministry of Corporate Affairs has issued the companies (Indian Accounting Standards) second Amendment Rules 2019 notifying Ind AS 116, 'Leases'. This will replace Ind AS 17, Leases. Ind AS 116 sets out the principles of recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases on their balance sheet. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and 'short term' leases. At the commencement date of a lease, lessees are required to recognise a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-to-use asset.

The new standard is mandatory for financial years commencing on or after 1st April 2019. The standard permits either full retrospective or a modified retrospective approach for the adoption. The Group plans to adopt Ind AS 116 using modified retrospective approach.

The Group is in the process of identifying and implementing changes to processes to meet the standard's updated reporting and disclosure requirements, as well as evaluating the internal control changes required, if any, during the implementation and continued application of new standard. The Group will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as on the date of initial application, and lease contracts for which the underlying asset is of low value.

v) Historical cost convention

The consolidated financial statement have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statement is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

2.1 Basis of consolidation

The consolidated financial statement incorporates the financial statement of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statement of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

The group's share of the results, assets and liabilities of contracts carried out in conjunction with another party are included under each relevant heading in the consolidated financial statement.

2.2 Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.3 Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the group as a joint operator recognises in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;

b) Its liabilities, including its share of any liabilities incurred jointly;

c) Its revenue from the sale of the output arising from the joint operation;

d) Its share of the revenue from the sale of the output by the joint operation and

e) Its expenses, including its share of any expenses incurred jointly.

The group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues and expenses.

When a group transacts with a joint operation in which a group is a joint operator (such as a sale or contribution of assets), the group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the group's consolidated financial statement only to the extent of the other parties' interests in the joint operation.

When a group transacts with a joint operation in which a group is a joint operator (such as a purchase of assets), the group does not recognise its share of the gains and losses until it resells those assets to a third party.

2.4 Revenue recognition

Revenue from contracts with customers is recognized in accordance with Ind AS 115 when the customer obtains control of the goods or services, and is thus able to direct the use and obtain substantially all the remaining benefits from the goods or services, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account our customer's creditworthiness. Revenue is recognized at the amount of the transaction price, i.e. the amount of the consideration that the Company is expected to collect in exchange for the transfer of goods and services arranged. Variable consideration is included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Ind AS 115 sets forth a consistent, five-step model for determining the amount of revenue to be reported, which is generally applicable for all customer contracts.

The Group derives revenue principally from following streams:

- Sale of products
- Construction contracts

Sale of products:

Sale of products by Group consists of supply of construction materials. Revenue from sale of products is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control of the goods as per the incoterms. In determining the transaction price for sale of product, the Group considers the effects of variable consideration, if any. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer. Advance payments received from the customers is not considered as having a significant financing component since it is taken mainly as a security against commitment from customer towards the sale of product.

Construction contracts:

The Group recognises revenue from Engineering, Procurement and Construction contracts ('EPC') over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involves complex integration of goods and services.

The performance obligations are satisfied over time as the work progresses. The Group recognises revenue using input method (i.e. percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Group estimates the amount of consideration to which it will be entitled in exchange for work performed.

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgement. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discount, if any. The Group considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Group includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Consideration payable to a customer includes cash amounts that the Group pays, or expects to pay, to a customer (or to other parties that purchase the Group's goods or services from the customer). The Group accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to Group.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable as per contractual term. Contractual retention amounts billed to customers are generally due upon expiration of the contract period.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for the Company's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A contract liability is recognised for advance payments from the customers and it is not considered as having a significant financing component since it is taken mainly for the purpose of mobilisation of resources and as a security against commitment from customer towards the project.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

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 Group, the award amount (including interest thereon), are accounted when they are granted and where it is reasonable to expect ultimate collection of such awards.

The Group evaluates whether it is acting as a principal or agent by considering a number of factors, including, among other things, whether the Group is the primary obligor under the arrangement, has inventory risk, has customer's credit risk and has latitude in establishing prices. Where the Group is the principal in the transaction, revenue and related costs are recorded at their gross values. Where the Group is effectively the agent in the transaction, revenue and related costs are recorded at their net values.

2.4.1. Dividend:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

2.4.2. Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

2.5 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the groups expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.6 Foreign currencies

(i) Functional and presentation currency

Items included in the consolidated financial statement of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statement is presented in Indian Rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

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

Any exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statement until the year ended March 31, 2016, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting the financial statement, the assets and liabilities of the group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.8 Employee benefits

2.8.1 Retirement benefit costs and termination benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognised in the consolidated financial statement represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

2.8.2 Short-term and other long-term employee benefits

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

Provision for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the reporting date.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2.9.2 Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income.

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.10 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. It also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Replacement cost of an item of property, plant and equipment is capitalised if replacement meets the recognition criteria.

Carrying amount of items replaced is derecognised. Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised (if they meet the asset recognition criteria) and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipments - 5 years

Freehold land is not depreciated.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed 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, Floating Equipments - 20 Years.

Tunnel Boring Machines - Length of the tunnel bored over life of the construction project for where it is used.

Cost of shuttering materials and accessories and attachements, issued to jobs, is charged off equally over a period of four years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.10.1 Capital work-in-progress

Property, plant and equipment that are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.11 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Useful life is as below:

Computer software - 5 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses from drecognition of an intangible assets, measured at the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

2.12 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost is determined on the basis of weighted average method.

2.14 Provisions and contingent liabilities

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

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

A contingent liability is disclosed where there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are not recognised. Information on contingent liabilities is disclosed in the notes to consolidated financial statement unless the possibility of an outflow of resources embodying economic benefits is remote.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

2.15 Financial instruments

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

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.16 Financial assets

Classification and subsequent measurement of financial assets

2.16.1 Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification is done depending upon the group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

2.16.2 Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Debentures, Bonds etc. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in investment income using the effective interest rate method.

Fair value through other comprehensive income

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

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through OCI, are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Equity instruments

Investments in equity instruments at FVTPL

Investments in equity instruments are classified as at FVTPL, unless the group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI

On initial recognition, the group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Cash and cash equivalents

For the purpose of presentation in statement of cash flows,cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

2.16.3 Impairment of financial assets

The group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables, the group measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

2.16.4 Effective interest method

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognised in the consolidated statement of profit and loss.

2.16.5 De-recognition of financial assets

A financial asset is derecognised only when group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

2.16.6 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

2.17 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's own equity instruments.

Treasury shares

In the consolidated financial statement, when any entity within the group purchases the Company's ordinary shares, the consideration paid, including any directly attributable incremental cost, is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is transferred to/ from share premium.

2.17.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.17.2 De-recognition of financial liabilities

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

2.17.3 Foreign exchange gains and losses

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

2.18 Derivative financial instruments

The group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

2.19 Government grants, subsidies and export incentives

Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the group recognises as expenses the related costs for which the grants are intended to compensate.

2.20 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year.

Ordinary shares to be issued upon conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

2.21 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the group and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 33 for segment information presented.

2.22 Credit Risk

The Company/group assess on a forward looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Company/group considers historical credit loss experience and adjusted for forward-looking information. Note 45.8 details how the Group/company determines whether there has been a significant increase in credit risk.

2.(A). Critical estimates and judgements

a) Revenue recognition

The Group's revenue recognition policy, which is set out in Note 2.4, is central to how the Group values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of long-term construction services, which require assessments and judgements to be made on changes in scope of work and claims and variations.

Across construction services there are several long-term and complex projects where the Group has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract.

- Determination of stage of completion;
- Estimation of project completion date;
- Provisions for foreseeable losses; and
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue and costs in respect of construction contracts are recognised by reference to the stage of completion of the contract activity / performance obligation at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

b) Taxation

The group is subject to tax in a number of jurisdictions and judgement is required in determining the worldwide provision for income taxes. The group provides for future liabilities in respect of uncertain tax positions where additional tax may become payable in future periods and such provisions are based on management's assessment of exposures.

The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

c) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the group. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes but are not provided for in the consolidated financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the group is involved it is not expected that such contingencies will have material effect on its financial position or profitability.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

d) Useful lives of property, plant and equipment

As described in note 2.10 above, the group reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Recoverable value of recognised receivables

The Group has recognised trade receivables with a carrying value of ₹ 2,287.83 Crores (as at March 31, 2018: ₹ 1,556.42 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The group has a policy of assessing the creditworthiness of potential customers before entering into transactions by performing a credit evaluation on the financial condition of accounts receivable using independent ratings where available or by assessment of the customer's credit quality based on its financial position, past experience and other factors. The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the group.

f) Fair value measurements and valuation processes

Some of the group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

g) Retirement benefit obligations

Details of the group's defined benefit pension schemes are set out in Note 2.8, including tables showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

h) Arbitration claims

The forecast profit on contracts includes key judgements over the expected recovery of costs arising from the following: variations to the contract requested by the customer, compensation events, and claims made by the Company for delays or other additional costs for which the customer is liable. These claims could result in disputes that get settled through an arbitration process wherein the outcome of these awards including the timing and the amount (including interest thereon) requires a reasonable degree of estimation. The inclusion of these amounts requires estimation of their recoverability and could impact the level of profit or loss recognised by the Company.

i) Classification of assets / liabilities as Current and Non-current

The balance sheet presents current and non-current assets and current and non-current liabilities, as separate classifications. This classification involves managements estimate on expected realisation of assets and settlement of liabilities within 12 months after the reporting period.

j) Classification of Joint Arrangement as a Joint Operation /Joint Venture

A Joint Operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When an entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;

b) Its liabilities, including its share of any liabilities incurred jointly;

c) Its revenue from the sale of the output arising from the joint operation;

d) Its share of the revenue from the sale of the output by the joint operation and

e) Its expenses, including its share of any expenses incurred jointly.

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

Accordingly, the Group has evaluated all its joint arrangements on the basis of the contractual arrangements entered into between the parties to the joint arrangements for execution of the project irrespective of the legal form.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 2(B): Details of subsidiaries at the end of the reporting period are as follows.

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 (Mideast) Constructions and Investments Private Limited	India	100%
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL*	Kuwait	49%
Afcons Construction Mideast LLC*	U.A.E	49%
Afcons Gulf International Projects Services FZE #	U.A.E.	100%
Afcons Mauritius Infrastructure Limited	Mauritius	100%
Afcons Overseas Singapore Pte Ltd.	Singapore	100%
Afcons Infra Projects Kazakhstan LLP %	Kazakhstan	100%
Afcons Overseas Construction LLC (upto 18th September, 2017)	Qatar	49%
Afcons Saudi Constructions LLC	Saudi Arabia	100%
Afcons Overseas Project Gabon SARL %	Gabon	100%

* Although, the parent Company has less than a majority of the voting rights of the investee, it has power over the investee as the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Subsidiary of Afcons Mauritius Infrastructure Limited.

% Subsidiary of Afcons Overseas Singapore Pte Ltd.

The principal activities of the Company including its joint operations and its subsidiaries (the Group) are infrastructure activities.

Note 2(C): Details of joint operations at the end of the reporting period are as follows.

Name of joint operations	Country of incorporation	Percentage holding-share
Transtonnelstroy Afcons Joint Venture	India	99%
Dahej Standby Jetty Project Undertaking	India	100%
Afcons Gunanusa Joint Venture	India	100%
Afcons Pauling Joint Venture	India	100%
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	49%
Afcons Sibmost Joint Venture	India	100%
Afcons Vijeta PES Joint Venture	India	100%
Afcons SMC Joint Venture	India	100%
Afcons - Vijeta Joint Venture (w.e.f. 2nd August, 2017)	India	100%
Afcons JAL Joint Venture (w.e.f. 21st August, 2017)	India	100%
Afcons KPTL Joint Venture (w.e.f. 24th October, 2017)	India	51%

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 3. Property, plant and equipments

A. Tangible assets

₹ in Crores

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2018	Additions	Disposals	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Depreciation for the year	Disposals	Balance as at 31st March, 2019	Balance as at 31st March, 2019
(a) Freehold land	203.00	1.47	-	204.47	-	-	-	-	204.47
(b) Buildings	41.86	0.49	-	42.35	16.56	0.98	#	17.54	24.81
(c) Plant and equipment	1,829.92	224.49	(12.97)	2,041.44	809.40	150.10	(5.47)	954.03	1,087.41
(d) Furniture and fixtures	45.93	8.38	(2.28)	52.03	16.38	4.42	(1.18)	19.62	32.41
(e) Vehicles	30.60	13.15	-	43.75	10.78	4.61	-	15.39	28.36
(f) Office equipments	49.45	7.23	(1.32)	55.36	31.70	6.12	(1.16)	36.66	18.70
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	218.26	-	-	218.26	42.97	13.88	-	56.85	161.41
(i) Laboratory equipments	2.54	-	-	2.54	0.62	0.10	-	0.72	1.82
(j) Shuttering materials	130.27	74.26	(0.62)	203.91	63.89	55.53	-	119.42	84.49
(k) Accessories and attachments	61.78	19.47	(2.24)	79.01	27.22	11.39	-	38.61	40.40
Total	**2,616.40**	**348.94**	**(19.43)**	**2,945.91**	**1,022.31**	**247.13**	**(7.81)**	**1,261.63**	**1,684.28**

Previous year

₹ in Crores

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2017	Additions	Disposals	Balance as at 31st March, 2018	Balance as at 1st April, 2017	Depreciation for the year	Disposals	Balance as at 31st March, 2018	Balance as at 31st March, 2018
(a) Freehold land	203.00	-	-	203.00	-	-	-	-	203.00
(b) Buildings	34.64	7.31	(0.09)	41.86	15.69	0.87	#	16.56	25.30
(c) Plant and equipment	1,786.06	96.22	(52.36)	1,829.92	717.51	135.43	(43.54)	809.40	1,020.52
(d) Furniture and fixtures	38.32	8.26	(0.65)	45.93	12.86	3.82	(0.30)	16.38	29.55
(e) Vehicles	23.61	7.58	(0.59)	30.60	8.99	2.18	(0.39)	10.78	19.82
(f) Office equipments	40.54	9.89	(0.98)	49.45	27.46	5.13	(0.89)	31.70	17.75
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	220.18	-	(1.92)	218.26	30.42	14.37	(1.82)	42.97	175.29
(i) Laboratory equipments	2.01	0.53	-	2.54	0.53	0.09	-	0.62	1.92
(j) Shuttering materials	97.06	33.21	-	130.27	35.64	28.25	-	63.89	66.38
(k) Accessories and attachments	45.93	15.85	-	61.78	17.65	9.57	-	27.22	34.56
Total	**2,494.14**	**178.85**	**(56.59)**	**2,616.40**	**869.54**	**199.71**	**(46.94)**	**1,022.31**	**1,594.09**

Notes:

(1) Additions for the year includes foreign exchange capitalised during the year amounting to ₹ Nil (previous year ₹ Nil).

(2) Freehold Land with a carrying amount of ₹ 204.47 crores (as at 31st March 2018 ₹ 203.00 crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Buildings carrying amount of ₹ 24.81 crores (as at 31st March 2018 ₹ 25.30 crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Movable Plant and machinery, construction equipments, machinery spares, tools and accessories with a carrying amount of ₹ 1,309.54 Crores (as at 31st March 2018 ₹ 1,234.63 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No. 14

(3) # Amount is below the rounding off norms adopted by the Group.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 3. Property, Plant and Equipments (Continued)

B. Goodwill

₹ in Crores

Cost or deemed cost	Balance as at 31st March, 2019	Balance as at 31st March, 2018
Balance at beginning of year	5.16	4.83
Effect of foreign currency exchange differences	0.16	0.33
Balance at end of year	**5.32**	**5.16**

C. Intangible assets

₹ in Crores

Particulars	Gross block (At cost)				Amortisation				Net Block
	Balance as at 1st April, 2018	Additions	Disposals	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Amortisation for the year	Disposals	Balance as at 31st March, 2019	Balance as at 31st March, 2019
Computer software - acquired	12.16	0.89	-	13.05	10.43	1.43	-	11.86	1.19
Total	**12.16**	**0.89**	**-**	**13.05**	**10.43**	**1.43**	**-**	**11.86**	**1.19**

Previous Year

₹ in Crores

Particulars	Gross block (At cost)				Amortisation				Net Block
	Balance as at 1st April, 2017	Additions	Disposals	Balance as at 31st March, 2018	Balance as at 1st April, 2017	Amortisation for the year	Disposals	Balance as at 31st March, 2018	Balance as at 31st March, 2018
Computer software - acquired	11.78	0.38	-	12.16	9.53	0.90	-	10.43	1.73
Total	**11.78**	**0.38**	**-**	**12.16**	**9.53**	**0.90**	**-**	**10.43**	**1.73**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No. 4. Non-current investments

	Particulars	Face Value	As at 31st March, 2019		As at 31st March, 2018	
			Quantity	Amount ₹ in Crores	Quantity	Amount ₹ in Crores
A.	**Investment in equity instruments at fair value through other comprehensive income**					
	Quoted Investments (fully paid)					
(a)	Investment in equity instruments :					
	Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	0.52	40,072	0.44
	Hindustan Construction Co. Ltd.	₹ 1	2,000	#	2,000	#
	Simplex Infrastructures Ltd.	₹ 2	500	0.01	500	0.03
	ITD Cementation India Ltd.	₹ 1	1,000	0.02	1,000	0.02
	Gammon India Ltd.	₹ 2	250	#	250	#
	Total aggregate quoted investments			**0.55**		**0.49**
	Unquoted investments (fully paid)					
(b)	Investment in equity instruments :					
	Simar Port Ltd.	₹ 10	1,000	#	1,000	#
	# Amount is below the rounding off norms adopted by the group.			**#**		#
B.	**Investments in mutual funds at fair value through profit or loss**					
(a)	**Investment in mutual funds :**					
	Quoted					
	ICICI Prudential Equity Arbitrage Fund - Growth Plan	₹ 10	10,64,245	2.60	10,64,245	2.45
	Total aggregate mutual fund investment			**2.60**		**2.45**
	Total investments carrying value (A+B)			**3.15**		**2.94**
	Aggregate book value of quoted investments			2.40		2.40
	Aggregate market value of quoted investments			3.15		2.94

Category-wise other investments - as per Ind-AS 109 classification: ₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial assets measured at FVTPL - mutual fund	2.60	2.45
Financial assets measured at FVTOCI- equity instruments	0.55	0.49
	3.15	**2.94**

Note No 5. Trade receivables ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Unsecured, considered good	2,053.62	234.21	1,431.38	125.04
Doubtful	-	26.95	-	20.59
	2,053.62	261.16	1,431.38	145.63
Less: Allowance for expected credit losses	-	26.95	-	20.59
Total	**2,053.62**	**234.21**	**1,431.38**	**125.04**

Note No. 5.1 - Movement in the expected credit loss allowance ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Balance at beginning of the year	-	20.59	-	20.63
Add: Created during the year	-	6.72	-	1.78
Less: Utilised during the year	-	0.36	-	1.82
Balance at end of the year	-	**26.95**	-	**20.59**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 6. Loans

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Advances to related parties (Unsecured, considered good)				
To Fellow subsidiaries	46.44	-	43.92	-
To Joint operations (net of Group share)	17.50	-	47.10	-
Total	**63.94**	**-**	**91.02**	-

These financial assets are carried at amortised cost

Note No 7. Other financial assets

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Amounts due from customer under construction contracts				
Unsecured, considered good (Refer Note 7.1)	-	-	2,726.96	655.79
(b) Interest on trade receivables as per arbitration awards	180.65	117.76	219.41	116.22
(c) Others	14.67	-	0.84	-
(d) Deposits (Unsecured, considered good)				
(i) Security deposits	6.40	15.65	7.16	14.63
(ii) Other deposits	0.76	1.31	1.00	1.07
	7.16	16.96	8.16	15.70
(e) Other Loans and advances (doubtful)	-	0.16	-	0.16
Less: Provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
Total	**202.48**	**134.72**	**2,955.37**	**787.71**

Note No 7.1 Amounts due from (to) customer under construction contracts

₹ in Crores

Particulars	As at 31st March, 2018
Contracts in progress at the end of the reporting period:	
Construction cost incurred plus recognised profits less recognised loss to date	21,323.01
Less : Progress billings	18,337.63
	2,985.38
Recognised and included in the consolidated financial statements as amounts due :	
- from customers under construction contracts	3,382.75
- to customers under construction contracts	(397.37)
	2,985.38
Contract assets, as disclosed in current year under "Other non-current & current assets" representing "Amount due from customers under construction contracts" have been presented as part of "other financial assets"in previous year.	

Note No 8. Other non-current & current assets

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Contract assets (Refer Note 8.1)				
Amounts due from customer under construction contracts				
Unsecured, considered good	2,678.54	1,369.29	-	-
(b) Capital advances	20.32	-	16.77	-
(c) Prepayments	24.16	9.71	25.20	8.54
(d) Balances with government authorities				
(i) GST / VAT credit receivable	287.73	103.05	102.52	59.24
(ii) Service Tax credit receivable	2.97	27.78	3.53	22.22
(iii) Duty credit receivables	2.45	-	1.57	-
	293.15	130.83	107.62	81.46
(e) Others				
(i) Advance to vendors and others	190.39	-	123.87	-
(ii) Other receivables (Sale of scrap,etc.)	1.73	-	31.39	-
(iii) Advances to employees	3.10	-	3.13	-
	195.22	-	158.39	-
Total	**3,211.39**	**1,509.83**	**307.98**	**90.00**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 8.1 Contracts assets and liabilities balance

₹ in Crores

Particulars	As at 31st March, 2019
Contracts in progress at the end of the reporting period:	
Construction cost incurred plus recognised profits less recognised loss to date	24,634.73
Less : Progress billings	21,251.95
	3,382.78
Recognised and included in the consolidated financial statements as amounts due :	
- from customers under construction contracts	4,047.83
- to customers under construction contracts	(665.05)
	3,382.78

Note No 9. Inventories

₹ in Crores

Particulars		As at 31st March, 2019	As at 31st March, 2018
(a)	Construction materials - at lower of cost and net realisable value		
	Steel	477.98	263.42
	Cement	11.64	8.96
	Aggregate	38.52	36.07
	Other construction material	94.60	44.07
		622.74	352.52
(b)	Stores and spares - at lower of cost and net realisable value	234.26	205.34
		234.26	205.34
	Total	**857.00**	**557.86**

Note No 10. Cash and cash equivalents

₹ in Crores

Particulars		As at 31st March, 2019	As at 31st March, 2018
(a)	Balances with banks		
	In current accounts	316.05	124.78
(b)	Cash on hand	1.39	1.49
	Total cash and cash equivalents	**317.44**	**126.27**

Note No 10.1. Bank balance other than cash and cash equivalents

₹ in Crores

Particulars		As at 31st March, 2019	As at 31st March, 2018
Earmarked balance with banks			
-	Unpaid dividend accounts	0.57	0.58
-	Balances held as margin money or security against borrowings, guarantees and other commitments	0.10	0.26
-	Other earmarked accounts / escrow accounts	2.73	0.52
Bank deposit with original maturity of more than three months but less than twelve months		21.70	26.73
	Total	**25.10**	**28.09**

Note No 11. Non current tax assets (Net)

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance income tax (net of provisions ₹ 130.88 crores) (As at 31st March, 2018 ₹ 38.28 crores)	122.96	71.65
Total	**122.96**	**71.65**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 12. Share capital

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	**₹ in Crores**	**Number of shares**	**₹ in Crores**
(a) Authorised				
Equity shares of ₹ 10 each.	35,00,00,000	350.00	35,00,00,000	350.00
Preference shares of ₹ 10 each.	65,00,00,000	650.00	65,00,00,000	650.00
	1,00,00,00,000	**1,000.00**	**1,00,00,00,000**	**1,000.00**
(b) Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each. (Refer note 12.1 below)	7,19,70,238	71.97	7,19,70,238	71.97
0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10 each. (Refer note 12.2 below)	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.3 below)	25,00,00,000	250.00	25,00,00,000	250.00
0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.4 below)	10,00,00,000	100.00	10,00,00,000	100.00
Total	**52,19,70,238**	**521.97**	**52,19,70,238**	**521.97**

12.1. Rights, preferences and restrictions attached to equity shares:

(a) Rights to receive dividend as may be approved by the board / annual general meeting.

(b) 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.

(c) Every member shall be entitled to be present, and to speak and vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company.

12.2. Rights, preferences and restrictions attached to 0.01% Non Cumulative and non profit participatory convertible preference shares:

(a) 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.

(b) The terms of this Preference Shares have been varied with consent of the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018. whereby 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 12.3.(a) below.

(c) 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 this preference shares.

12.3. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 13th January, 2024 ("mandatory conversion date") i.e. on the sixteenth 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, 2019 (11th year from the date of issue) to 13th January, 2024 (16th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) On mandatory conversion date, the preference shares shall be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares.

(c) The preference shares shall be entitled to fixed non-cumulative 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.

(d) 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.

(e) 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 this preference shares.

12.4. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 21st March, 2024 ("mandatory conversion date") i.e. on the expiry of ten 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 21st March, 2019 (5th year from the date of issue) to 21st March, 2024 (10th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) 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).

(c) The preference shares shall be entitled to fixed non-cumulative 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.

(d) 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.

(e) 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 this preference shares.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 12. Share capital (Continued)

Note No 12.5. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Numbers (in crores)	₹ in crores
Equity shares outstanding as at 31st March, 2018	7.20	71.97
Add: Shares issued during the year	-	-
Equity shares outstanding as at 31st March, 2019	**7.20**	**71.97**

Note No 12.6. Details of shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Shapoorji Pallonji & Company Private Limited	4,91,01,742	68.23	4,90,83,282	68.20
Floreat Investments Limited	1,30,15,929	18.09	1,30,15,929	18.09
Renaissance Commerce Private Limited	40,16,250	5.58	40,16,250	5.58
Hermes Commerce Limited	40,16,250	5.58	40,16,250	5.58
0.01% Non cumulative and non profit participatory convertible preference shares				
Floreat Investments Limited	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Goswami Infratech Private Limited	25,00,00,000	100.00	25,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Shapoorji Pallonji & Company Private Limited	10,00,00,000	100.00	10,00,00,000	100.00

Note No 12.7. Details of shares held by the holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	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 & Company Private Limited, the holding company	4,91,01,742	-	10,00,00,000	4,90,83,282	-	10,00,00,000
Subsidiaries of the holding company:						
Floreat Investments Limited (FIL)	1,30,15,929	10,00,00,000	-	1,30,15,929	10,00,00,000	-
Renaissance Commerce Private Limited	40,16,250	-	-	40,16,250	-	-
Hermes Commerce Limited	40,16,250	-	-	40,16,250	-	-

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 13. Other equity

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital reserve	0.84	0.84
Capital redemption reserve	0.13	0.13
Securities premium account	10.28	10.28
Contingencies reserve	8.00	8.00
Debenture redemption reserve	42.50	61.25
General reserve	65.75	66.04
Foreign currency translation reserve	14.41	12.06
Retained earnings	1,339.27	1,091.05
Reserve through other comprehensive income	19.64	19.43
Total	**1,500.82**	**1,269.08**

Movement in other equity:

₹ in Crores

	Particulars	As at 31st March, 2019	As at 31st March, 2018
(a)	Capital reserve		
	Opening balance	0.84	0.84
	Closing balance	0.84	0.84
(b)	Capital redemption reserve		
	Opening balance	0.13	0.13
	Closing balance	0.13	0.13
(c)	Securities premium account		
	Opening balance	10.28	10.28
	Closing balance	10.28	10.28
(d)	Contingencies reserve		
	Opening balance	8.00	8.00
	Closing balance	8.00	8.00
(e)	Debenture redemption reserve		
	Opening balance	61.25	42.50
	Add : Transfer (to) / from surplus in Statement of profit and loss	(18.75)	18.75
	Closing balance	42.50	61.25
(f)	General reserve		
	Opening balance	66.04	66.04
	Less : Other adjustment	0.29	-
	Closing balance	65.75	66.04
(g)	Foreign currency translation reserve		
	Opening balance	12.06	(5.28)
	Add : Effect of foreign exchange rate variations during the year	2.35	17.34
	Closing balance	14.41	12.06
(h)	Retained earnings		
	Opening balance	1,091.05	966.70
	Add: Adjustment for Ind AS 115 #	27.00	-
	Restated Opening balance	1,118.05	966.70
	Add: Profit for the year	240.10	173.61
	Add: Other Adjustment	(9.88)	-
	Add: Other items classified to other comprehensive income	(2.50)	(0.55)
	Less: Appropriations		
	Dividend on equity shares (₹ 3.50 per share) (previous year ₹ 3.50 per share)	25.19	24.77
	Dividend on preference shares (₹ 0.001 per share) (previous year ₹ 0.001 per share)	0.05	0.05
	Dividend distribution tax	0.01	5.14
	Transfer (from) / to debenture redemption reserve	(18.75)	18.75
	Closing balance	1,339.27	1,091.05
(i)	Reserve for equity instruments through other comprehensive income		
	Opening balance	19.43	11.57
	Add: Net fair value gain/(loss) on investments in equity instruments measured at FVTOCI	0.21	7.86
	Closing balance	19.64	19.43
	Total	**1,500.82**	**1,269.08**

See note 46 for details about restatement due to adoption of Ind AS 115, “Revenue from Contract with Customers”.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 13. Other equity (Continued)

Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies.

Capital redemption Reserve

As per the provisions of Companies Act, capital redemption reserve is created out of the general reserve for the amount equivalent to the paid up capital of shares bought back by the Company.

Securities premium account

Where Company issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" as per the provisions of applicable Companies Act. This reserve is utilized as per the provisions of the Companies Act.

Contingency reserve

The contingency reserve was created to protect against loss for amounts due from a partnership firm.

Debenture redemption reserve

The Companies Act requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the company available for payment of dividend. The amounts credited to the debenture redemption reserve may not be utilized by the company except to redeem debentures

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the group's foreign operations from their functional currencies to the group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Retained earning and dividend on equity shares:

This represent the surplus / (deficit) of the profit or loss. The amount that can be distributed by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amount reported above are not distributable in entirety.

On 20th March, 2019, an interim dividend of ₹ 3.50 per share (total dividend ₹ 25.19 Crores) was paid to holders of fully paid equity shares.

Reserve for equity instrument measured through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

The above consolidated financial statement of change of equity should be read in conjuction with the accompanying notes.

Note No 14. Non current borrowings

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Measured at amortised cost		
(a) Debentures (Unsecured) (Refer note 14.1)	250.00	350.00
(b) Working capital loans (Refer note 14.2.(i))		
From banks		
Secured	-	25.00
(c) Equipment loan (Secured) (Refer note (14.2 (ii))		
From banks		
Rupee loan	379.52	333.34
Foreign currency loan	20.83	39.04
(d) Other loans and advances (Refer note 14.2 (iii))		
Foreign currency loan (Secured)		
Buyers credit from banks	-	8.34
Total	**650.35**	**755.72**

14.1 Details of debentures

Particulars	Terms of repayment	As at 31st March, 2019		As at 31st March, 2018	
		Secured	Unsecured	Secured	Unsecured
Unsecured, redeemable, unlisted, non-convertible debentures (NCDs)					
i) 9.87% NCDs (Refer Note 37)	Refer note 14.1 (i) below	-	50.00	-	50.00
ii) 9.05% NCDs (Refer Note 37)	Refer note 14.1 (ii) below	-	-	-	100.00
iii) 8.60% NCDs	Refer note 14.1 (iii) below	-	100.00	-	100.00
iv) 8.65% NCDs	Refer note 14.1 (iv) below	-	100.00	-	100.00
Total Non-Convertible Debentures		-	**250.00**	-	**350.00**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 14. Non current borrowings (Continued)

14.1 (i) The NCDs carry interest @ 9.87% per annum payable semi annually and are redeemable in full on 6th April, 2020 (i.e. at the end of 5 years and 20 days from the date of allotment).

14.1 (ii) The NCDs carry interest @ 9.05% per annum payable semi annually and are redeemable in full on 15th January, 2021 (i.e. at the end of 5 years from the date of allotment). The NCDs carry a Put option to the holders and Call option to the Company to get the NCDs redeemed on 30th April, 2019 (i.e. 3 years 3 months and 16 days from the date of allotment), by giving 30 days notice to the other party.

14.1 (iii) The NCDs carry interest @ 8.60% per annum payable annually and are redeemable in full on 6th September, 2021 (i.e. at the end of 5 years from the date of issue).

14.1 (iv) The NCDs carry interest @ 8.65% per annum payable annually and are redeemable in full on 23rd February, 2022 (i.e. at the end of 5 years from the date of issue).

14.2 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof:

Particulars	Terms of security	As at 31st March, 2019		As at 31st March, 2018	
		Secured	Unsecured	Secured	Unsecured
14.2 (i) **Working capital loans from banks**					
State Bank of India	Refer Note 14.2 (iv)	-	-	25.00	-
Total - Term loan		**-**	**-**	**25.00**	-
14.2 (ii) **Equipment loan from banks**					
Rupee loan:					
Axis Bank	Refer Note 14.2 (v)	160.00	-	200.00	-
State Bank of India		219.52	-	133.34	-
Foreign currency loan (ECB):					
Societe Generale		20.83	-	39.04	-
Total - Equipment loan		**400.35**	-	**372.38**	-
14.2 (iii) **Other loans and advances from banks - Buyer's credit foreign currency loans**					
Yes Bank	Refer Note 14.2 (vi)	-	-	2.70	-
Axis Bank		-	-	2.82	-
Kotak Mahindra Bank		-	-	2.82	-
Total - Other loans and advances		**-**	**-**	**8.34**	-
Total long-term borrowings from banks		**400.35**	**-**	**405.72**	-

14.2 (iv). Working capital loan from State Bank of India is secured by second charge on plant and machinery.Working capital loan from State Bank of India carries interest at 9.45% per annum.

14.2 (v). Secured by first pari passu charge on plant & machinery. The rupee loan of Axis Bank Limited carry interest @ 9.40% per annum and State Bank of India carry interest ranging from 9.30% to 9.70% per annum. Foreign currency loans carry interest @ 5.18213% per annum. The repayment schedule of the loans are as follows:

As at 31st March, 2019 ₹ in Crores

Nature	Bank name	Loan amount	Repayment schedule
Rupee Loan	Axis Bank Ltd.	160.00	Each annual installment of ₹ 40 crores upto 2023-24
	State Bank of India	165.00	Semi annual installment of ₹ 16.50 crores upto 2025-26
	State Bank of India	54.52	Annual installment of ₹ 33.33 crores in 2020-21 and ₹ 21.19 crores in 2021-22
Foreign Currency Loan	Societe Generale	20.83	Semi annual installment of ₹ 10.41 crores upto 2020-21

14.2 (vi). Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest ranging from 3.36% to 3.42% per annum.

Note No 15. Trade payables ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to Micro and small enterprises	3.67	-	5.52	-
(b) Total outstanding due to other than Micro and small enterprises	2,492.26	381.29	1,837.95	195.75
Total	**2,495.93**	**381.29**	**1,843.47**	**195.75**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 15. Trade payables (Continued)

Disclosures as required under the micro, small and medium enterprises development Act, 2006 (MSMED Act) ₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	3.67	5.52
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end	0.08	0.09
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act,beyond the appointed day during the period	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier periods	0.08	0.09

Note No 16. Other financial liabilities ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Current maturities of long-term debt (Refer note 16.1 below)	128.06	-	149.44	-
(b) Amount due to customers (Refer Note 46)	-	-	397.37	-
(c) Advances from customers (Refer Note 46)	-	-	87.70	138.24
(d) Interest accrued but not due on borrowings	6.26	-	8.31	-
(e) Unclaimed / unpaid dividends #	0.57	-	0.16	-
(f) Interest accrued on advance from customers	7.82	-	0.87	-
(g) Other payables				
(i) Trade / security deposits received	21.82	-	31.32	-
(ii) Amount received on invocation of bank guarantees	-	70.48	-	71.67
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others	41.40	37.24	20.88	-
	63.22	107.73	52.20	71.68
Total	**205.93**	**107.73**	**696.05**	**209.92**

The figures reflect the position as at year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due dates.

Note No 16.1: ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Debentures (Unsecured) #	-	-	50.00	-
(b) Working capital loans from banks (Secured) #	25.00	-	25.00	-
(c) Equipment loans from banks (Secured) #	73.33	-	52.06	-
(d) Foreign currency loans (Secured) #	29.73	-	22.38	-
Total	**128.06**	**-**	**149.44**	**-**

For nature of security refer note no.14

Note No 17. Other non-current and current liabilities ₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
(a) Contract liabilities				
(i) Amount due to customers (Refer note 46)	665.05	-	-	-
(ii) Advances from customers (Refer note 46)	1,179.23	1,615.63	-	-
(b) Advances from customers	-	-	928.33	763.09
(c) Advance against sale of scrap	0.09	-	0.10	-
(d) Other payables				
Statutory remittances (VAT, GST, Service tax, etc.)	61.10	-	40.15	-
Total	**1,905.47**	**1,615.63**	**968.58**	**763.09**
Contract liabilities as disclosed in current year representing "Advance from customer" and "Amount due to customers" have been presented as part of other current liabilties and other financial liabilities respectively, in the previous year.				

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 18. Provisions

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Provision for employee benefits:				
Provision for compensated absences (Refer Note 30)	2.65	19.33	19.22	-
Provision for gratuity (Refer Note 30)	8.83	5.05	7.53	7.76
	11.48	24.38	26.75	7.76
Provision - Others:				
Provision for projected loss on contract (Refer Note 18.1)	4.10	-	5.86	-
Total	**15.58**	**24.38**	**32.61**	**7.76**

Note No. 18.1 - Movement in the provision for projected loss on contract

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Balance at beginning of the year	5.86	-	-	-
Add: Created during the year	1.50	-	5.86	-
Less: Utilised during the year	3.26	-	-	-
Balance at end of the year	**4.10**	**-**	**5.86**	**-**

Note No 19. Current tax liabilities (net)

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for tax (net of advance tax ₹ 6.27 crores) (As at 31st March, 2018 ₹ 69.29 crores)	12.17	11.26
Total	**12.17**	**11.26**

Note No 20. Current borrowings

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Working capital loans from banks		
Secured (Refer note 20.1 below)	390.00	-
(b) Short term loans from bank		
Foreign currency loan:		
Buyers credit (Secured) (Refer note 20.1 below)	-	10.49
(c) Cash credit facility from banks		
Secured (Refer note 20.1 below)	332.10	659.87
(d) Commercial papers (Unsecured)		
From banks	-	48.89
From other parties	99.44	49.76
	99.44	98.65
(e) Acceptances	33.51	-
(f) From related parties (Unsecured)		
From Joint operations (net of Group shares)	-	0.36
Total	**855.05**	**769.37**

Note 20.1

Details of security for the secured short-term borrowings:

₹ in Crores

Particulars	Terms of security	As at 31st March, 2019	As at 31st March, 2018
Working capital demand loans (WCDL)			
From banks:			
HSBC Bank	Refer note 20.2 below	50.00	-
State Bank of India		240.00	-
Export Import Bank of India		100.00	-
		390.00	-
Short term loans from bank			
Foreign currency loan:			
Buyers credit			
Axis bank	Refer note 20.2 below	-	10.49
Cash credit facility	Refer note 20.2 below	332.10	659.87

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 20. Current borrowings (Continued)

Note 20.2

A. Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / 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.

B. Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 8.65% to 10.45% per annum (as on 31st March, 2018 interest ranging from 7.45% to 11.00% per annum). Commercial paper carry interest rate of 7.90% per annum (as on 31st March, 2018 interest ranging from 7.20% to 7.60% per annum). Buyers credit interest ranges from 1.99% to 2.24% per annum as on 31st March, 2018.

Note No 21. Current tax and deferred tax

(a) Income tax expense

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current tax:		
Current tax in respect of the current year	116.28	56.56
Adjustments in respect of previous years	4.50	(2.56)
Deferred tax:		
In respect of current year	(35.96)	26.02
Total income tax expense recognised in the consolidated statement of profit and loss account	**84.82**	**80.02**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Amount	Tax Rate	Amount	Tax Rate
Profit before tax	**319.26**		**244.14**	
Income tax using the Company's domestic tax rate #	111.56	34.94%	84.49	34.61%
Effect of tax rates in foreign jurisdictions				
Effect of income that is exempt from taxation	(48.71)	-15.26%	(29.28)	-11.99%
Loss in respect of which deferred tax assets not recognised due to uncertainty	13.99	4.38%	23.23	9.52%
Disallowable expenses	0.98	0.31%	1.57	0.64%
Effect of tax rates differences of entities operating in other jurisdictions having different tax rates	(0.36)	-0.11%	(0.32)	-0.13%
Charge / (credit) in respect of previous years	4.50	1.41%	(2.56)	-1.05%
Effect of change in tax rates	1.08	0.34%	2.66	1.09%
Others	1.78	0.56%	0.23	0.09%
Income tax expenses	**84.82**	**26.57%**	**80.02**	**32.78%**

The tax rate used for the reconciliation above is the corporate tax rate of 30%, surcharge of 12% on corporate tax, education cess 3% and secondary and higher education cess of 1% on corporate tax.

(c) Movement of deferred tax

₹ in Crores

Particulars	For the year ended 31st March, 2019				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	88.05	(13.85)	-	-	74.20
Unremitted earnings of subsidiaries	15.34	-	-	-	15.34
Arbitration awards	221.68	(35.98)	-	-	185.70
	325.07	(49.83)	-	-	275.24
Tax effect of items constituting deferred tax assets					
Employee benefits	(12.06)	0.87	(1.34)	-	(12.53)
Expected credit loss	(1.88)	-	-	-	(1.88)
Provisions	(5.36)	(2.23)	-	-	(7.59)
Carry forward losses	(11.23)	11.23	-	-	-
Other items	(4.30)	4.00	-	-	(0.30)
Minimum alternate tax credit	(126.95)	-	-	54.43	(72.52)
	(161.78)	13.87	(1.34)	54.43	(94.82)
Net tax liabilities	**163.29**	**(35.96)**	**(1.34)**	**54.43**	**180.42**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 21. Current tax and deferred tax (Continued)

Particulars	For the Year ended 31st March 2018				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	96.99	(8.94)	-	-	88.05
Unremitted earnings of subsidiaries	15.34	-	-	-	15.34
Arbitration awards	125.74	95.94	-	-	221.68
Fair value through profit or loss financial asset	0.07	(0.07)	-	-	-
	238.14	86.93	-	-	325.07
Tax effect of items constituting deferred tax assets					
Employee benefits	(11.57)	(0.19)	(0.30)	-	(12.06)
Expected credit loss	(1.25)	(0.63)	-	-	(1.88)
Provisions	(6.47)	1.11	-	-	(5.36)
Carry forward losses	-	(11.23)	-	-	(11.23)
Other items	(2.91)	(1.39)	-	-	(4.30)
Minimum alternate tax credit	(75.58)	(48.58)	-	(2.79)	(126.95)
	(97.78)	(60.91)	(0.30)	(2.79)	(161.78)
Net tax liabilities	**140.36**	**26.02**	**(0.30)**	**(2.79)**	**163.29**

No deferred tax liability has been recognised in respect of undistributed earnings of subsidiaries, as the Group is in a position to control the timing of reversal of these temporary differences and it is probable that such differences will not reverse in the foreseeable future. The total undistributed earnings (including foreign currency translation reserve) is ₹ 205.70 crores.

Note No 22. Revenue from operations ₹ in Crores

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Revenue from sale of goods (including excise duty, if any) (Construction materials) (Refer Note 46)	9.16	21.36
(b)	Construction contract revenue (Refer note 22.1 below)	8,677.91	6,498.05
(c)	Other operating income (Refer note 22.2 below)	39.75	31.68
	Total	**8,726.82**	**6,551.09**

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
22.1	**Construction contract revenue comprises:** (Refer Note 46)		
	Construction revenue	8,677.91	6,543.25
	Less : Value added tax	-	45.20
	Total - Sale of services	**8,677.91**	**6,498.05**
22.2	**Other operating income comprises:** (Refer Note 46)		
	Sale of scrap	27.15	21.41
	Others	12.60	10.27
	Total - Other operating revenues	**39.75**	**31.68**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 23. Other income

₹ in Crores

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	89.61	90.51
(b)	Dividend income:		
	From non trade, on current investments	-	1.61
(c)	Other non operating income (Refer note 23.2 below)	59.25	44.49
(d)	Fair value gain on financial assets mandatorily measured at FVTPL	-	0.03
	Total	**148.86**	**136.64**

	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
23.1	**Interest income comprises:**		
	Interest on arbitration awards	84.69	88.22
	Other Interest	4.92	2.29
	Total - Interest income	**89.61**	**90.51**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors / advances no longer required written back	0.36	3.05
	Miscellaneous provision written back	3.06	17.69
	Insurance claim received	9.26	9.47
	Provision for projected loss written back	3.65	-
	Net gain on foreign currency transactions and translation	18.51	-
	Miscellaneous income	24.41	14.28
	Total - Other non-operating income	**59.25**	**44.49**

Note No 24. Cost of material consumed

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cost of construction materials consumed (Including bought out Items)	2,115.81	1,941.82

Note No 24.1. Cost of construction

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Stores and spare consumed	412.24	521.91
Subcontracting expenses (Including lease payment for equipments hired)	3,186.93	1,288.70
Site installation	124.28	82.06
Technical consultancy	228.53	165.91
Power and fuel consumed	249.88	260.78
Freight and handling charges	169.61	104.74
Total	**4,371.47**	**2,424.10**

Note No 25. Employee benefits expense

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries and wages, including bonus	735.42	675.58
Contributions to provident and other funds	39.34	38.57
Staff welfare expenses	48.63	40.03
Total	**823.39**	**754.18**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 26. Finance costs

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest expense on financial liabilities not at fair value through profit or loss		
Bank overdrafts and loans	173.43	193.76
Advance from clients	31.11	57.77
Others	16.56	10.24
	221.10	261.77
Other borrowing costs:		
Bank guarantee commission including bank charges	57.94	42.96
Others	5.64	1.48
Total	**284.68**	**306.21**

Note No 27. Depreciation and amortisation expenses

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation on tangible assets	247.13	199.71
Amortisation on intangible assets	1.43	0.90
Depreciation and amortisation as per Statement of Profit and Loss	**248.56**	**200.61**

Note No 28. Other expenses

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Water and electricity	8.24	11.86
Rent	77.56	64.48
Repairs and maintenance - Buildings	0.05	0.02
Repairs and maintenance - Machinery	26.98	15.77
Repairs and maintenance - Others	14.95	9.04
Insurance charges	90.76	93.86
Rates and taxes	108.84	89.04
Communication	7.34	7.02
Travelling and conveyance	96.61	84.20
Security charges	35.29	31.86
Donations and contributions	0.66	16.35
Expenditure on corporate social responsibility (CSR)	1.93	1.45
Legal and professional	106.31	123.50
Auditors remuneration (Refer Note 28.1)	0.78	0.75
Advances written off	0.03	-
Provision for Doubtful Debtors (Refer Note 5.1)	0.44	-
Bad / irrecoverable debtors / unbilled revenue written off	45.53	171.19
Net loss on foreign currency transactions and translation (Net)	-	20.14
Expected credit loss on financial assets (Refer Note 5.1)	6.28	1.78
Provision for projected loss on contract (Refer Note 18.1)	1.50	5.86
Loss on sale of fixed assets (net)	4.16	2.84
Miscellaneous expenses	78.27	65.66
Total	**712.51**	**816.67**

Note 28.1:

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Auditors remuneration comprises		
(a) To statutory auditors (excluding taxes)		
As auditors - statutory audit	0.65	0.55
For taxation matters	0.06	0.06
For other services	0.05	0.12
Reimbursement of expenses	#	#
# Amount is below the norms adopted by the group.		
	0.76	**0.73**
(b) To cost auditors for cost audit (excluding taxes)		
As auditors	0.02	0.02
	0.02	**0.02**
Total (a + b)	**0.78**	**0.75**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

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

₹ in Crores

	Particulars	As at 31st March, 2019	As at 31st March, 2018
(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.	309.54	214.04
(b)	Claims against the joint operations not acknowledged as debts		
	i) Differences with sub-contractors / clients in regard to scope of work.	-	103.91
(c)	Guarantees		
	i) Bank guarantees given on behalf of subsidiaries and joint operations and counter guaranteed by the Company.	2,086.25	2,388.76
	ii) Labour guarantees	3.99	4.38
(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.	15.48	20.51
(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.	0.66	0.66
(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.	175.65	177.85
	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 and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities		
(ii)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	63.91	11.18
(iii)	**Income tax**		
	Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The company has obtained stay order from tax department. Company is confident that the case will be successfully contested before concerned appellate authorities.	26.24	-
	The Honourable Supreme Court has passed a decision on 28th February 2019, in relation to inclusion of certain allowances within the scope of "Basic Wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The company, based on the legal advice, is awaiting further clarification for implementation of the said order, in order to reasonably assess the impact, if any.		

Note No 30. Employee benefit plans

a. Defined contribution plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the Life Insurance Corporation (LIC). Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The total expense recognised in profit or loss of ₹ 29.15 crores (for the year ended March 31, 2018: ₹ 31.61 crores) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 30. Employee benefit plans (Continued)

b. Defined benefit plans

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement / termination of an amount equivalent to 15 days salary and on death while in employment or on death of an employee an amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Company or as per payment of the Gratuity Act, whichever is higher. Vesting occurs upon completion of five years of service.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2019 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

c. Details of defined benefit plan - Gratuity

The principle assumptions used for the purpose of actuarial valuation (considered for the Group)

Particulars	March 31, 2019	March 31, 2018
Expected Return on Plan Assets	7.79%	7.83%
Rate of Discounting	7.79%	7.83%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	For service 4 years and below 6.00% p.a. & For service 5 years and above 2.00% p.a	
Mortality Rate During Employment*	Indian Assured Lives Mortality (2006-08)	

*Based on India's standard mortality table with modification to reflect expected changes in mortality.

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

₹ in Crores

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Components of defined benefit cost		
Service cost:		
Current service cost	2.92	2.76
Past service cost and (gain) / loss from settlements	-	-
Interest cost on benefit obligation (Net)	1.20	1.23
Return on plan assets (excluding amounts included in net interest expense)	-	-
Total defined benefit costs recognised in profit or loss	**4.12**	**3.99**
Actuarial (gains) / losses arising from changes in demographic assumptions	0.04	(0.08)
Actuarial (gains) / losses arising from changes in financial assumptions	0.11	(1.55)
Actuarial losses arising from experience adjustments	3.69	2.48
Total defined benefit costs recognised in OCI	**3.84**	**0.85**
Total defined benefit costs recognised in profit or loss and OCI	**7.96**	**4.84**
(ii) Net (liabilities) recognised in the Balance Sheet		
Present value of defined benefit obligation	32.31	27.65
Fair value of plan asset	18.43	12.36
Net liabilities recognised in the Balance Sheet	(13.88)	(15.29)

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 30. Employee benefit plans (Continued)

(iii) Movements in the present value of the defined benefit obligation are as follows.

₹ in Crores

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening defined benefit obligation	27.65	25.54
Current service cost	2.92	2.76
Interest cost	2.16	1.86
Remeasurement (gains) / losses:		
Actuarial (gains) / losses arising from changes in financial assumptions	0.11	(1.55)
Actuarial losses arising from experience adjustments	3.69	2.48
Benefits paid	(4.22)	(3.44)
Closing defined benefit obligation	**32.31**	**27.65**
(iv) Movements in the fair value of plan assets are as follows.		
Opening fair value of plan assets	12.36	10.07
Interest income	0.97	0.73
Remeasurement gain / (loss):		
Return on plan assets (excluding amounts included in net interest expense)	(0.04)	0.08
Contributions from the employer	9.36	4.92
Benefits paid	(4.22)	(3.44)
Closing fair value of plan assets	**18.43**	**12.36**

The Company pays premium to the group gratuity scheme of LIC and the fund is managed by LIC

(v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 2.57 crores (increase by ₹ 3.01 crores) (as at March 31, 2018: decrease by ₹ 2.17 crores (increase by ₹ 2.54 crores)).
2) If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 3.04 crores (decrease by ₹ 2.64 crores) (as at March 31, 2018: increase by ₹ 2.56 crores (decrease by ₹ 2.22 crores)).
3) If the life expectancy increases (decreases) by one year for both men and women, the defined benefit obligation would increase by ₹ 0.37 crores (decrease by ₹ 0.43 crores) (as at March 31, 2018: increase by ₹ 0.32 crores (decrease by ₹ 0.38 crores)).

(vi) Sensitivity analysis method

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at March 31, 2019 is 15 years (as at March 31, 2018: 16 years).

The Company expects to make a contribution of ₹ 8.83 crores (as at March 31, 2018: ₹ 7.53 crores) to the defined benefit plans during the next financial year.

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting

Particulars	₹ in Crores
1st following year	3.46
2nd following year	1.50
3rd following year	2.04
4th following year	2.74
5th following year	2.77
Sum of years 6 To 10	15.42

d. Compensated Absences

The compensated absences cover the Company's liability for sick and earned leave.

The amount of the provision of ₹ 21.98 crores (as at 31st March, 2018 ₹ 19.22 crores) is presented as current liabilities, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 31. 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 31st March, 2019	For the year ended 31st March, 2018
	₹	₹
Basic earnings per share	32.57	22.80
Diluted earnings per share	6.88	4.82

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earning per share	234.44	164.12
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	234.39	164.07
Profits used in the calculation of basic earnings per share	**234.39**	**164.07**

The weighted average number of equity shares for the purpose of basic earnings per share is as follows:

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Number	**Number**
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238

Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

(₹ in Crores)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earning per share	234.44	164.12
Earnings used in the calculation of diluted earnings per share	234.44	164.12
Profits used in the calculation of diluted earnings per share	**234.44**	**164.12**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Number	**Number**
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
Convertible preference shares	26,87,68,030	26,87,68,030
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,268**	**34,07,38,268**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 32: Operating lease arrangements

The group as lessee

Leasing arrangements

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. The group does not have an option to purchase the leased assets at the expiry of the lease periods.

Payments recognised as an expense ₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(i) Lease payments recognised for residential and other properties in the Statement of Profit and Loss under 'Rent' in Note 28.	77.56	64.48
(ii) Lease payments for equipments are recognised in the Statement of Profit and Loss under 'Subcontracting expenses' in Note 24.	337.83	215.22

Note 33: Segment information

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

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the geographic perspective. Accordingly, the Company has only one reportable business segment of construction business relating to infrastructure, 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 Crores

Particulars	Local projects	Foreign projects	Total
Income from operation	**5,482.43**	**3,244.39**	**8,726.82**
	(5,277.55)	(1,273.54)	(6,551.09)
Carrying amount of asset	**1,762.61**	**93.94**	**1,856.55**
	(1,663.07)	(44.49)	(1,707.56)

Figures in parenthesis are those of previous year.

Revenue from major products and services: The major activity of the group is infrastructure activities.

Information about major customers: Revenue from external customers contributing to more than 10% of the group's revenue amounts to ₹ 1,396.50 crores (For the year 2017-18 ₹ 1,782.50 crores). These customers pertain to hydro projects.

Note No 34. Corporate social responsibility ₹ in Crores

Gross amount required to be spent by the group during the year:	2.17

Amount spent during the year on:

CSR activities (in cash)	Paid	To be paid	Total
(i) Construction/acquisition of an asset	-	-	**-**
(ii) Purposes other than (i) above	1.93	-	**1.93**
Total	**1.93**	**-**	**1.93**

The Company has undertaken various other CSR activities. However, the same does not qualify under schedule VII of Companies Act, 2013. The short contribution of ₹ 0.24 crores shall be carried out during the financial year 2019-20.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 35: Related party disclosures

(a) Details of related parties:

Related party where control exists

Holding Company

Shapoorji Pallonji & Co. Pvt. Ltd.

Fellow subsidiary(s)

Floreat Investments Limited

Hermes Commerce Limited

Renaissance Commerce Private Limited

SP Jammu Udhampur Highway Private Limited

Forvol International Services Limited

Armada C-7 Pte Ltd.

Forbes & Company Ltd.

Shapoorji & Pallonji Qatar, WLL

Eureka Forbes Ltd.

Armada Madura EPC Limited

Stertling & Wilson Pvt.Ltd.

Forbes Facility Services Pvt.Ltd.

S.D.Corporation Pvt.Ltd.

Shapoorji Pallonji Infrastructure Capital Co Private Ltd.

Shapoorji Pallonji Pandoh Takoli Highway Private Ltd.

Shapoorji Pallonji Oil and Gas Private Ltd.

Forbes Enviro Solutions Ltd.

Jointly Controlled Operations

Transtonnelstroy-Afcons Joint Venture

Afcons Gunanusa Joint Venture

Dahej Standby Jetty Project Undertaking

Afcons Pauling Joint Venture

Strabag AG Afcons Joint Venture

Saipem Afcons Joint Venture

Ircon Afcons Joint Venture

Afcons Sener LNG Construction Projects Pvt.Ltd.

Afcons Sibmost Joint Venture

Afcons Vijeta PES Joint Venture

Afcons SMC Joint Venture

Afcons - Vijeta Joint Venture (w.e.f. 2nd August, 2017)

Afcons JAL Joint Venture (w.e.f. 21st August, 2017)

Afcons KPTL Joint Venture (w.e.f. 24th October, 2017)

Key management personnel

Mr. S. P. Mistry – Chairman

Mr. K. Subramanian – Executive Vice Chairman

Mr. S. Paramasivan – Managing Director

Mr. Giridhar Rajagopalan

Mr. Akhil Kumar Gupta

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No. 35: Related party disclosures (Continued)

(b) Details of transactions with related party for the period 01st April,2018 to 31st March, 2019 ₹ in Crores

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Managerial Remuneration										
a) Short Term Employee Benefit										
S.Paramasivan	-	-	-	-	-	-	3.00	2.59	**3.00**	2.59
K.Subramanian	-	-	-	-	-	-	3.43	3.12	**3.43**	3.12
Giridhar Rajagopalan	-	-	-	-	-	-	1.85	1.62	**1.85**	1.62
Akhil Kumar Gupta	-	-	-	-	-	-	1.83	1.67	**1.83**	1.67
b) Post Employment Benefits										
S.Paramasivan	-	-	-	-	-	-	0.47	0.39	**0.47**	0.39
K.Subramanian	-	-	-	-	-	-	0.51	0.43	**0.51**	0.43
Giridhar Rajagopalan	-	-	-	-	-	-	0.13	0.10	**0.13**	0.10
Akhil Kumar Gupta	-	-	-	-	-	-	0.07	0.04	**0.07**	0.04
c) Other Long Term Benefits										
S.Paramasivan	-	-	-	-	-	-	0.29	0.26	**0.29**	0.26
K.Subramanian	-	-	-	-	-	-	0.33	0.32	**0.33**	0.32
Giridhar Rajagopalan	-	-	-	-	-	-	0.09	0.07	**0.09**	0.07
Akhil Kumar Gupta	-	-	-	-	-	-	0.06	0.05	**0.06**	0.05
Sitting Fees paid										
S.P.Mistry	-	-	-	-	-	-	0.04	0.03	**0.04**	0.03
Dividend on Preference Shares	-	-	-	-	-	-	-	-	**-**	-
Floreat Investments Limited	-	-	0.01	0.01	-	-	-	-	**0.01**	0.01
Shapoorji Pallonji & Co. Pvt. Ltd.	0.01	0.01	-	-	-	-	-	-	**0.01**	0.01
Interim Dividend on Equity Shares	-	-	-	-	-	-	-	-	**-**	-
Shapoorji Pallonji & Co. Pvt. Ltd.	17.19	17.18	-	-	-	-	-	-	**17.19**	17.18
Floreat Investments Limited	-	-	4.56	4.56	-	-	-	-	**4.56**	4.56
Hermes Commerce Limited	-	-	1.41	1.41	-	-	-	-	**1.41**	1.41
Renaissance Commerce Private Ltd.	-	-	1.41	1.41	-	-	-	-	**1.41**	1.41
K.Subramanian	-	-	-	-	-	-	0.02	0.02	**0.02**	0.02
S.Paramasivan	-	-	-	-	-	-	0.01	0.01	**0.01**	0.01
Giridhar Rajagopalan	-	-	-	-	-	-	0.00	0.00	**0.00**	0.00
Overhead Charges Recovered										
Strabag-AG Afcons Joint Venture	-	-	-	-	5.70	7.58	-	-	**5.70**	7.58
Interest Income										
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	0.19	0.15	-	-	**0.19**	0.15
Income from Services charges										
Strabag-AG Afcons Joint Venture	-	-	-	-	3.42	7.23	-	-	**3.42**	7.23
Other Income										
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	0.02	0.01	-	-	**0.02**	0.01
Afcons Gunanusa Joint Venture	-	-	-	-	-	0.25	-	-	**-**	0.25
Subcontract Income										
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	0.23	0.72	-	-	**0.23**	0.72
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd	-	-	20.95	-	-	-	-	-	**20.95**	-
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd	-	-	216.16	-	-	-	-	-	**216.16**	-
Income from Equipment Hire										
Ircon-Afcons Joint Venture	-	-	-	-	-	0.00	-	-	**-**	0.00
Strabag-AG Afcons Joint Venture	-	-	-	-	0.65	0.99	-	-	**0.65**	0.99

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No. 35: Related party disclosures (Continued)

₹ in Crores

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Distribution of Profit from Joint Ventures										
Ircon-Afcons Joint Venture	-	-	-	-	11.86	-	-	-	**11.86**	-
Sale of Spares/Materials/Assets										
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	0.03	0.06	-	-	**0.03**	0.06
Afcons - KPTL Joint Venture	-	-	-	-	0.10	-	-	-	**0.10**	-
Advance Given										
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	5.08	6.30	-	-	**5.08**	6.30
Afcons Gunanusa Joint Venture	-	-	-	-	-	0.45	-	-	**-**	0.45
Strabag-AG Afcons Joint Venture	-	-	-	-	1.88	-	-	-	**1.88**	-
Ircon-Afcons Joint Venture	-	-	-	-	0.01	-	-	-	**0.01**	-
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	0.37	0.03	-	-	**0.37**	0.03
Afcons - KPTL Joint Venture	-	-	-	-	(12.97)	-	-	-	**(12.97)**	-
Advance Received back										
Ircon-Afcons Joint Venture	-	-	-	-	-	(0.04)	-	-	**-**	(0.04)
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	(3.97)	(9.79)	-	-	**(3.97)**	(9.79)
Afcons Gunanusa Joint Venture	-	-	-	-	-	(0.92)	-	-	**-**	(0.92)
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	-	(0.01)	-	-	**-**	(0.01)
Housekeeping services paid										
Forbes Facility Services Pvt Ltd	-	-	6.00	6.44	-	-	-	-	**6.00**	6.44
Rent Expense										
Forbes & Company Limited	-	-	0.40	0.59	-	-	-	-	**0.40**	0.59
Expenses incurred by /(on behalf of) Afcons										
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	0.01	-	-	**-**	0.01
Strabag-AG Afcons Joint Venture	-	-	-	-	-	0.09	-	-	**-**	0.09
Afcons Gunanusa Joint Venture	-	-	-	-	-	0.14	-	-	**-**	0.14
Reimbursement of Expenses										
S.D. Corporation Pvt. Ltd.	-	-	0.05	0.04	-	-	-	-	**0.05**	0.04
Shapoorji Pallonji Oil and Gas Pvt Ltd	-	-	0.23	-	-	-	-	-	**0.23**	-
Legal & Professional Fees										
Shapoorji Pallonji & Co. Pvt. Ltd. (Strategic Support Services)	17.66	24.33	-	-	-	-	-	-	**17.66**	24.33
Shapoorji Pallonji & Co. Pvt. Ltd. (Consultancy Services)	0.05	0.60	-	-	-	-	-	-	**0.05**	0.60
Subcontract Expense										
Shapoorji Pallonji Qatar WLL	-	-	-	14.52	-	-	-	-	**-**	14.52
Travelling Expenses										
Forvol International Service Ltd	-	-	15.65	12.51	-	-	-	-	**15.65**	12.51
Purchase of Spares/Materials/Assets										
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	0.12	0.20	-	-	**0.12**	0.20
Eureka Forbes Ltd.	-	-	0.38	0.37	-	-	-	-	**0.38**	0.37
Shapoorji Pallonji & Co. Pvt. Ltd.	0.29	-	-	-	-	-	-	-	**0.29**	-
Guarantees Given for / (Released) (net)										
Afcons Gunanusa Joint Venture	-	-	-	-	-	(1.73)	-	-	**-**	(1.73)
Strabag-AG Afcons Joint Venture	-	-	-	-	(16.60)	(18.51)	-	-	**(16.60)**	(18.51)
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	(251.39)	320.91	-	-	**(251.39)**	320.91
Afcons SMC Joint Venture, Tanzania	-	-	-	-	(24.97)	78.00	-	-	**(24.97)**	78.00
Afcons - Vijeta - PES Joint Venture	-	-	-	-	46.06	43.75	-	-	**46.06**	43.75
Afcons - Vijeta Joint Venture	-	-	-	-	3.68	27.34	-	-	**3.68**	27.34
Afcons – Sibmost – Joint Venture	-	-	-	-	71.00	(13.57)	-	-	**71.00**	(13.57)
Afcons - KPTL Joint Venture	-	-	-	-	103.99	-	-	-	**103.99**	-

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No. 35: Related party disclosures (Continued)

₹ in Crores

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Total	
	2018-19	**2017-18**	**2018-19**	**2017-18**	**2018-19**	**2017-18**	**2018-19**	**2017-18**	**2018-19**	**2017-18**
Outstanding amount of guarantee given										
Afcons Gunanusa Joint Venture	-	-	-	-	417.95	375.95	-	-	**417.95**	375.95
Strabag-AG Afcons Joint Venture	-	-	-	-	103.18	120.71	-	-	**103.18**	120.71
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	551.74	801.62	-	-	**551.74**	801.62
Dahej Standby Jetty Project Undertaking	-	-	-	-	58.04	112.21	-	-	**58.04**	112.21
Afcons SMC Joint Venture, Tanzania	-	-	-	-	68.50	89.16	-	-	**68.50**	89.16
Afcons - Vijeta - PES Joint Venture	-	-	-	-	120.05	73.99	-	-	**120.05**	73.99
Afcons - Vijeta Joint Venture	-	-	-	-	31.02	27.34	-	-	**31.02**	27.34
Afcons – Sibmost – Joint Venture	-	-	-	-	292.18	221.18	-	-	**292.18**	221.18
Afcons - KPTL Joint Venture	-	-	-	-	118.00	-	-	-	**118.00**	-
Outstanding Amount Loans & Advances recoverable / (payable) (net)										
Afcons Gunanusa Joint Venture	-	-	-	-	-	33.19	-	-	**-**	33.19
Strabag-AG Afcons Joint Venture	-	-	-	-	10.64	8.76	-	-	**10.64**	8.76
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	4.66	3.55	-	-	**4.66**	3.55
Saipem Afcons Joint Venture	-	-	-	-	-	0.29	-	-	**-**	0.29
Ircon-Afcons Joint Venture	-	-	-	-	(0.02)	(0.03)	-	-	**(0.02)**	(0.03)
Afcons Sener LNG Construction Projects Pvt. Ltd.	-	-	-	-	1.79	1.31	-	-	**1.79**	1.31
Afcons - KPTL Joint Venture	-	-	-	-	(13.03)	-	-	-	**(13.03)**	-
Trade receivables										
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	4.38	4.80	-	-	**4.38**	4.80
Shapoorji Pallonji & Co. Pvt. Ltd.	0.07	0.51	-	-	-	-	-	-	**0.07**	0.51
Ircon-Afcons Joint Venture	-	-	-	-	-	0.00	-	-	**-**	0.00
Armada Madura EPC Limited	-	-	-	0.04	-	-	-	-	**-**	0.04
Strabag-AG Afcons Joint Venture	-	-	-	-	12.54	11.50	-	-	**12.54**	11.50
Afcons - KPTL Joint Venture	-	-	-	-	0.10	-	-	-	**0.10**	-
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd	-	-	29.74	-	-	-	-	-	**29.74**	-
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd	-	-	8.88	-	-	-	-	-	**8.88**	-
Trade Payables										
Forvol International Service Ltd	-	-	3.10	1.69	-	-	-	-	**3.10**	1.69
Forbes Facility Services Pvt Ltd	-	-	0.92	1.29	-	-	-	-	**0.92**	1.29
Shapoorji Pallonji Oil and Gas Pvt Ltd	-	-	0.28	-	-	-	-	-	**0.28**	-
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd	-	-	196.16	-	-	-	-	-	**196.16**	-
Shapoorji Pallonji Qatar WLL	-	-	28.26	26.47	-	-	-	-	**28.26**	26.47
Eureka Forbes Ltd.	-	-	0.09	0.19	-	-	-	-	**0.09**	0.19
S.D. Corporation Pvt. Ltd.	-	-	-	0.00	-	-	-	-	**-**	0.00
Forbes & Company Limited	-	-	-	0.05	-	-	-	-	**-**	0.05
Forbes Enviro Solutions Ltd	-	-	0.02	-	-	-	-	-	**0.02**	-
Shapoorji Pallonji & Co. Pvt. Ltd.	0.04	25.30	-	-	-	-	-	-	**0.04**	25.30
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	0.04	0.08	-	-	**0.04**	0.08
Strabag-AG Afcons Joint Venture	-	-	-	-	0.52	-	-	-	**0.52**	-

Note : Amount mentioned as “0.00” is below the rounding off norms adopted by the group

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 36: 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

Name of the entity	% Holding	Net Assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent : Afcons Infrastructure Ltd.		85.97%	1,725.64	42.36%	101.71	-4066.67%	(2.44)	41.33%	99.27
Subsidiaries :									
Indian:									
1) Hazarat & Company Pvt.Ltd.	100%	0.00%	0.02	0.00%	0.01	-	-	0.00%	0.01
2) Afcons Corrosion Protection Pvt.Ltd.	100%	0.08%	1.67	0.00%	(0.01)	133.33%	0.08	0.03%	0.07
3) Afcons Offshore and Marine Services Pvt.Ltd.	100%	0.06%	1.30	0.00%	(0.01)	116.67%	0.07	0.02%	0.06
Foreign:									
1) Afcons Construction Mideast LLC	49%	-3.68%	(73.92)	-11.94%	(28.67)	-8866.67%	(5.32)	-14.15%	(33.99)
2) Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	49%	0.44%	8.87	0.92%	2.20	216.67%	0.13	0.97%	2.33
3) Afcons Gulf International Project Services FZE	100%	0.72%	14.53	0.25%	0.61	-	-	0.25%	0.61
4) Afcons Mauritius Infrastructure Ltd.	100%	0.47%	9.53	0.13%	0.32	-	-	0.13%	0.32
5) Afcons Overseas Singapore Pte Ltd.	100%	7.45%	149.44	57.51%	138.07	16066.67%	9.64	61.50%	147.71
6) Afcons Infra Projects Kazakhstan LLP	100%	-0.94%	(18.79)	-0.62%	(1.48)	133.33%	0.08	-0.58%	(1.40)
7) Afcons Saudi Constsstruction LLC.	100%	0.01%	0.19	-0.03%	(0.07)	-	-	-0.03%	(0.07)
8) Afcon Overseas Project Gabon Sarl	100%	11.21%	225.09	54.41%	130.63	-10616.67%	(6.37)	51.74%	124.26
Minority interests in all subsidiaries		-0.78%	(15.56)	2.36%	5.66	-	-	2.36%	5.66
Joint operations									
Indian									
1) Afcons Gunanusa Joint Venture	100%	-1.47%	(29.54)	-1.95%	(4.69)	-	-	-1.95%	(4.69)
2) Transtonnelstroy Afcons Joint Venture	99%	-1.87%	(37.45)	-1.55%	(3.73)	-	-	-1.55%	(3.73)
3) Dahej Standby Jetty Project Undertaking	100%	0.19%	3.72	-0.01%	(0.03)	-	-	-0.01%	(0.03)
4) Afcons Pauling Joint Venture	100%	0.09%	1.74	0.00%	-	-	-	-	-
5) Strabag AG Afcons Joint Venture	40%	0.92%	18.55	0.81%	1.95	-	-	0.81%	1.95
6) Afcons Sener LNG Construction Projects Pvt.Ltd.	49%	-0.09%	(1.83)	-0.42%	(1.00)	-	-	-0.42%	(1.00)
7) Ircon Afcons Joint Venture	47%	0.61%	12.15	-0.15%	(0.35)	9566.67%	5.74	2.24%	5.39
8) Afcons Sibmost Joint Venture	100%	0.91%	18.26	7.56%	18.15	-	-	7.56%	18.15
9) Afcons Vijeta PES Joint Venture	100%	0.00%	(0.04)	-	-	-	-	-	-
10) Afcons SMC Joint Venture	100%	0.58%	11.70	5.48%	13.15	-3600.00%	(2.16)	4.58%	10.99
11) Afcons Vijeta Joint Venture	100%	0.57%	11.54	4.87%	11.69	-	-	4.87%	11.69
12) Afcons JAL Joint Venture	100%	-	-	-	-	-	-	-	-
13) Afcons KPTL Joint Venture	100%	0.03%	0.62	-	-	1033.33%	0.62	0.26%	0.62
Foreign									
1) Saipem Afcons Joint Venture	50%	-	-	0.02%	0.06	-16.67%	(0.01)	0.02%	0.05
Adjustment of deferred tax on undistributed earnings of subsidiary		-0.76%	(15.34)	-	-	-	-	-	-
Elimination entries		-0.74%	(14.85)	-60.00%	(144.07)	-	-	-59.99%	(144.07)
Total		**100.00%**	**2,007.24**	**100.00%**	**240.10**	**100.00%**	**0.06**	**100.00%**	**240.16**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 37.The Company had issued ₹ 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. Out the above NCDs aggregating to ₹ 50 crores are outstanding as on 31.03.19. The said NCDs issued 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,

Note 38 (a). Afcons Gunanusa Joint Venture (AGJV) had submitted claims for change orders aggregating to ₹ 679.21 crores to ONGC. The 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 ₹ 407.13 crores will be discussed in arbitration.

(b) Afcons Infrastructure Limited has given advances agreegating to ₹ 184.97 Crores which are receivable from AGJV. The recovery of this amount is dependent upon finalization of arbitration award.

Note 39. (a) Transtonnelstroy Afcons Joint Venture had submitted variations to the client for two projects arising on account of cost overruns due to unforeseen geological conditions, delays in handing over of land, change in scope of work etc., which the Management believes is attributable to the client and the matters are under negotiation with the client/in arbitration /are referred to Dispute Adjudication Board for determination and recovery of the amounts.

In the earlier years, Joint Venture had received arbitration awards in few of the matters. The Client has further challenged these arbitration awards before the Hon'ble High Court, Madras. Pending disposal of these matters in the court, client has, upon submission of the bank guarantee by the Joint Venture, deposited part of the award amount with the Joint Venture, pursuant to an interim stay order from Hon'ble High Court, Madras.

Based on the Management's estimate of the timing and amount of recoverability which is supported by legal opinion and technical evaluation, the amounts recognized towards these variations/claims as at the year-end are included in Note 7 'Amounts due from Customers under Construction contracts' as Other Current and Non-current assets amounting to ₹ 430.11 crores and ₹ 570.00 crores respectively (Previous Year ₹ 688.50 crores and ₹ 278.02 crores respectively) and have been considered as good and fully recoverable by the Management and it does not anticipate any further loss to be recognized at this stage.

(b) Transtonnelstroy Afcons JV (TTAJV) has a total exposure of ₹ 1,099 Crores in Chennai Metro Rail Ltd. (CMRL) which includes trade receivables of ₹ 99 Crores and unbilled receivables of ₹ 1,000 Crores.

TTAJV has put a ₹ 1,968 Crores variations on CMRL which are pending at different stages as follows

- Variations of ₹ 1167 Crores on account of extended stay Cost (March 2016 to December 2018).
- Variations of ₹ 218 Crores with internal dispute adjudicating board (DAB) which are on account of Change in site condition/soil strata (unforeseeable Sub-surface condition).
- Variations under arbitration of ₹ 452 Crores on account of extended stay cost until March 30, 2016; and
- Arbitration won to the extent of ₹ 131 Crores (money is pending to be realised.)

Afcons Infrastructure Limited (AIL) has undertaken sub-contracting work of ₹ 436.46 Crores from TTAJV for CMRL and as at 31st March 2019, total receivable due from TTAJV is ₹ 888 Crores. An amount of ₹ 422 Crores is pending towards subcontracting work and the balance ₹466 Crores is pending towards advances given to TTAJV. AIL is not the party to the arbitration / claims and the recovery of this amount is dependent upon finalization of arbitration award and clearance / acceptance of claims by CMRL.

Note 40. (a) The holding Company has been legally advised that outstanding interest free advances aggregating to ₹ 985.76 crores (As at 31st March, 2018 ₹ 556.84 crores) made towards financing the unincorporated joint operations 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. 4.

Note 41. During the earlier year, Company had invoked bank guarantee amounting to ₹ 62.97 crores 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 ₹ 506.78 crores 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 ₹ 626.86 crores on account of delays and incomplete work done by the sub-contractor. An amount aggregating to ₹ 119.50 crores (including ₹ 62.97 crores received on invocation of bank guarantee) is outstanding (net of receivables) as on 31st March 2019 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.

Note 42. Konkan Railway Corporation Limited (KRCL) had issued a contract for construction of Arch Steel Bridge across river Chenab on 24th August, 2004. The DBN (Design Basis Note) submitted by KRCL during the tender stage was revised in 2005 and subsequently in 2006 and 2010. The project got delayed due to various reasons such as changes in design parameters, wind load during service condition, arch span, finalization of slope stabilization etc.

Due to the above, the Company has raised two variations amounting to ₹ 1,448.00 Crores which are towards additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment, pend period cost etc. These variation costs have already been charged off to profit and loss account in past. Apart from this, negotiations are in progress with KRCL for variations towards increase in steel quantity due to change in design. The value involved is around ₹ 115.00 crores including escalation. Against these variations and increase in steel quantity, the total unbilled receivable amounting to ₹ 309.72 crores is outstanding as at March 31, 2019.

Based on the opinion from independent expert and the facts of the case, the management is confident of getting a favorable judgement and recover all the dues related to this project.

Note 43. The Company has net total receivable (including loan) of ₹ 81.00 Crores from its one of the subsidiary namely 'Afcons Construction Mideast LLC' (ACML). ACML has awarded to execute two project i.e. "Al-Awir Road" and "Entrances to the Jewel of the Creek" for Road and Transport Authority, Dubai. ACML has substantially completed "Al-Awir Road" project and has completed more than 50% of other project i.e. "Entrances to the Jewel of the Creek" and expecting to complete balance portion with good margin. The Company is confident of recovering the entire receivable from ACML in coming financial year.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note 44. The company had executed project awarded by the Board of Trustees of the port of Mumbai (MbPT) for Modernization of the existing Marine Oil Terminal and berths / jetties J1, J2 and J3 at the Multi-cargo Marine Oil Terminal of Jawahar Dweep based in Mumbai Harbor. The project had completed in June 2003.

The company had gone into arbitration with MbPT for compensation for extended stay related to projects and was successful in getting an award of ₹ 96.02 Crores including interest till the date of award, in its favour on November 2011. However, The Award was challenged by MbPT u/s 34 of Arbitration and Conciliation Act, 1996 to the Single Bench Bombay High Court. Single Bench had set aside the award and passed the order in favor of MbPT. The Company filed an appeal with the High Court of Mumbai for a two bench Judge as against order of Single Bench. The appeal was admitted by High Court for two bench Judge in the month of April 2018 for hearing. Considering the legal opinion obtained and fact of the matter, the Company is confident of recovering the entire amount from MbPT in future. "

Note No 45. Financial instruments

45.1. Capital management

The group manages its capital to ensure that entities in the group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 14 ,16 and 20 offset by cash and bank balances as detailed in notes 10 and 10.1) and total equity of the Group.

The Group is not subject to any externally imposed capital requirements. The Group monitors capital using a gearing ratio, which is net debt divided by total capital.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

<u>45.1.1 Gearing ratio</u>

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

₹ in Crores

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Debt (i)	1,633.46	1,674.53
Cash and bank balances	317.44	126.27
Net debt	1,316.02	1,548.26
Total equity (ii)	2,007.24	1,781.16
Net debt to equity ratio	**0.66**	**0.87**

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts as described in notes 14, 16 and 20 and includes interest accrued but not due on borrowings)

(ii) Equity includes all capital and reserves of the Company that are managed as capital.

45.2. Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value except non current investments in un-quoted equity instruments of subsidiaries and joint operations, which are carried at cost.

₹ in Crores

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial assets		
<u>Measured at fair value through profit or loss (FVTPL)</u>		
(a) Mandatorily measured:		
(i) Mutual fund investments	2.60	2.45
<u>Measured at amortised cost</u>		
(a) Trade receivables	2,287.83	1,556.42
(b) Cash and bank balances	317.44	126.27
(c) Bank balance other than (b) above	25.10	28.09
(d) Loans	63.94	91.02
(e) Other financial assets	337.20	3,743.08
<u>Measured at FVTOCI</u>		
(a) Investments in equity instruments	0.55	0.49
Total financial assets	**3,034.66**	**5,547.82**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,633.46	1,674.53
(b) Trade payables	2,877.22	2,039.22
(c) Other financial liabilities	185.60	756.53
Total financial liabilities	**4,696.28**	**4,470.28**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 45. Financial instruments (Continued)

45.3. Financial risk management objectives

The group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal risk assessment and analysis forex exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The risk management is governed by the group's policy approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

45.4. Market risk

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

45.5. Foreign currency risk management

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions in various currencies. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the INR cash flows.

Particulars	Liabilities (₹ in Crores)		Assets (₹ in Crores)	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
USD Currency	266.58	232.50	90.60	81.99
EURO Currency	67.32	73.41	9.16	1.55
QAR Currency	56.18	68.39	63.04	74.70
OMR Currency	0.09	0.07	0.01	0.60
MUR Currency	162.93	0.16	47.81	0.01
UAE Currency	81.24	0.69	139.04	121.18
JOD Currency	93.49	91.31	89.22	74.44
BHD Currency	3.02	2.35	13.10	26.70
KWD Currency	406.28	260.21	452.40	215.60
GBP Currency	0.19	0.57	-	1.09
JPY Currency	-	2.69	4.22	-
BDT Currency	38.71	2.11	19.98	3.17
SAR Currency	0.09	0.01	0.74	0.56
GHS Currency	843.57	534.97	384.19	142.89
SGD Currency	0.08	0.08	-	-
CHF Currency	0.15	-	-	-
GNF Currency	0.43	0.40	-	-
IQD Currency	0.04	0.04	-	-
MYR Currency	0.08	0.08	-	-
ZMW Currency	535.31	3.39	-	10.84
MZN Currency	122.83	-	75.18	0.01
MRU Currency	4.73	-	0.45	-
BTN Currency	22.55	-	7.44	-

45.5.1 Foreign currency sensitivity analysis

The group is mainly exposed to the currency of USD, Euro, KWD, GHS, ZMW and MUR currency.

The following table details the Group's sensitivity to a 5% increase and decrease in the Indian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding on receivable and payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in the profit or equity where the Indian Rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency , there would be a comparable impact on the profit or equity, and the balances below would be negative. The impact of 5 % is also applicable on outstanding foreign currency loans as on the reporting date.

(₹ in Crores)

Particulars	USD currency impact		Euro currency impact		KWD currency impact	
	2018- 2019	2017- 2018	2018- 2019	2017- 2018	2018- 2019	2017- 2018
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(8.80)	(7.53)	(2.91)	(3.59)	2.31	(2.23)
Decrease in exchange rate by 5%	8.80	7.53	2.91	3.59	(2.31)	2.23

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 45. Financial instruments (Continued)

(₹ in Crores)

Particulars	GHS Currency Impact		ZMW Currency Impact		MUR Currency Impact	
	2018- 2019	2017- 2018	2018- 2019	2017- 2018	2018- 2019	2017- 2018
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(22.97)	(19.60)	(26.77)	0.37	(5.76)	(0.01)
Decrease in exchange rate by 5%	22.97	19.60	26.77	(0.37)	5.76	0.01

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

45.5.2 Derivative financial instruments

There are no derivative financial instruments outstanding at the end of the reporting period.

45.6. Interest rate risk management

The group is exposed to interest rate risk because entities in the group borrows foreign currency and local currency funds at floating interest rates and the risk is managed by the use of interest rate swap contracts and other similar products when required and regular internal discussion. The policy is evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

45.6.1. Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the group's profit for the year ended March 31, 2019 would decrease / increase by ₹ 2.82 crores (2018: decrease / increase by ₹ 2.53 crores). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings.

45.6.2. Interest rate swap contracts

Under interest rate swap contracts, the group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the group to mitigate the risk of changing interest rates and the cash flow exposures on the issued variable rate debt. There are no significant contracts outstanding at the end of the reporting period.

45.7. Other price risks

The group is exposed to equity price risks arising from mutual funds and equity investments. Certain of the Group's equity investments are held for strategic rather than trading purposes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenor of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

45.7.1 Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

i) other comprehensive income for the year ended March 31, 2019 would increase / decrease by ₹ 0.03 crores (2017-2018: increase / decrease by ₹ 0.02 crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

45.8 Credit risk management

The Group is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, bank deposits, trade receivables and loan receivables. The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

Cash and cash equivalents, bank deposits are held with only high rated banks / financial institutions, credit risk on them is therefore insignificant.

Trade receivables and loan receivable:

The Group assesses and manages credit risk on an internal credit evaluation system. It is performed by the finance team in conjunction with the relevant business teams depending on whether depending on the nature and type of the financial asset being evaluated.

The customer base of the Group is highly comprises of government parties and Holding Company. Further, Group is having certain short term loan receivables from the Group entities. Collateral is generally not obtained from customers. Other customers are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from Group Companies, they have been considered to enjoy the low credit risk as they meet the following criteria:

   i) they have a low risk of default,

   ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and

   iii) the Group expect, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 45. Financial instruments (Continued)

(B) For other trade receivables, the Group uses "General Model" for the measurement of expected credit loss (ECL) for trade receivables as well as loan receivable.

The measurement of ECL under general model depends on whether credit risk has increased significantly since initial recognition. These credit risk is regularly monitored based on historic turnover activity and credit performance of every customer. In addition, overdue receivable balances are monitored and actioned on a regular basis. When the credit risk has not increased significantly after initial recognition, a provision shall be made for the 12 month expected loss, otherwise shall be made for the entire lifetime.

The Group considers the probability of default upon initial recognition of asset and whether there is a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information which considers multiple factors such as:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's

  ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increase in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

The Group has used practical expedient by computing expected credit loss allowance for trade receivable by taking into consideration payment profiles of sales over a period of 60 months before the reporting date and the corresponding historical credit loss experiences within this period. The historical loss rates are adjusted to reflect current and forward looking information on macro economic factors affecting the ability of the customers to settle the receivables. The expected credit loss is based on the Ageing of the days, the receivables due and the expected credit loss rate. In addition, in case of event driven situation as litigations, disputes, change in customer's credit risk history, specific provisions are made after evaluating the relevant facts and expected recovery.

Refer note 5 for reconciliation of expected credit loss balance on financial assets.

45.9 Liquidity risk management

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

45.9.1 Liquidity risk table

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include principal cash flows along with interest. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

₹ in Crores

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1-5 years	5+years	Total
31st March, 2019					
Borrowings	8.73%	1,049.11	728.24	48.49	**1,825.84**
Trade payables		2,495.93	381.29	-	**2,877.22**
Other financial liabilities		71.61	107.73	-	**179.34**
		3,616.65	**1,217.26**	**48.49**	**4,882.40**
31st March, 2018					
Borrowings	8.54%	1,012.14	836.82	43.51	**1,892.47**
Trade payables		1,843.47	195.75	-	**2,039.22**
Other financial liabilities		538.30	209.92	-	**748.22**
		3,393.91	**1,242.49**	**43.51**	**4,679.91**

The Company is exposed to credit risk in relation to guarantees given. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on (see Note 29). Based on expectations at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the beneficiary under the guarantee may default.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 45. Financial instruments (Continued)

45.10 Fair value measurements

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

45.10.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

₹ in Crores

Financial assets / financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2019	As at 31st March, 2018		
1) Foreign currency options	Nil	Nil	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2) Investments in mutual funds at FVTPL (quoted)	2.60	2.45	Level 1	Fair value of quoted current investments in mutual funds is based on price quotations at the reporting date.
3) Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.55	0.49	Level 1	Quoted bid prices in an active market

Note 1: These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

There were no transfers between Level 1 and 2 in the period.

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

The carrying amounts of the following financial assets and financial liabilities (other than long term borrowings) are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed seperately.

a) Financial assets

Cash and bank balances

Bank balance other than above

Trade receivables

Loans

Other financial assets

b) Financial liabilities

Short term borrowings

Trade payables

Other financial liabilities

The carrying amount and fair value of long term borrowings, which are measured at amortised cost is disclosed in table below :

₹ in Crores

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**778.41**	**783.81**	**905.16**	**920.94**
- Borrowings	778.41	783.81	905.16	920.94

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 46. Disclosure persuant to Ind AS 115 "Revenue from Contact with Customers"

The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115 has been adjusted against the Retained earnings as at April 1, 2018. Accordingly, the figures of the previous year are not restated under Ind AS 115.

(i) The Impact on the Group's retained earning as at 1st April, 2018 is as follows: ₹ in Crores

Particular	1st April 2018
Retained earnings	1,091.05
Adjustment to retained earnings from adoption of Ind AS 115	27.00
Restated opening balance as on 1st April, 2018	**1,118.05**

(ii) Disaggregation of revenue from contracts with customers: ₹ in Crores

Particular	As on 31st March, 2019
Segment revenue	
India	5,482.43
Outside India	3,244.39
Revenue from external customers	**8,726.82**

Particular	As on 31st March, 2019
Timing of revenue recognition	
At a point in time	48.91
Over time	8,677.91
	8,726.82

(iii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting period is ₹ 30,012.97 Crores. Management expects that about 30% of the transaction price allocated to unsatisfied contracts as of March 31, 2019 will be recognized as revenue during next reporting period depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

(iv) Reconciliation of revenue recognised with contract price:

Particular	₹ in Crores
Revenue as per contract price	8,827.43
Adjustment for payments on behalf of customer	100.61
Revenue from Operations	**8,726.82**

(v) Disclosure of amount by which financial statements are impacted by application of Ind AS 115 as compared to Ind AS 11 and Ind AS 18:

(a) "Contract assets" namely "Amount due from customers for the contract works" were previously presented as part of "other financial assets" amounting to ₹ 3,382.75 Crores as at March 31, 2018. (Refer note 7.1 and 8.1)

(b) "Contract liabilities" namely "Advance from customers" and "Amount due to customers" were previously presented as part of "Other financial liabilities" and "Other non-current and current liabilities" ₹ 1,917.36 Crores and ₹ 397.37 crores as at March 31, 2018. (Refer note 16 and 17)

(c) Line item of statement of profit and loss were not affected by the application of Ind AS 115.

₹ in Crores

Particulars	As at 31-3-2019 as per Ind AS 11 and Ind AS 18	Impact of application of Ind AS 115 Increase/(decrease)		As at 31-3-2019 after application of Ind AS 115
		Transition impact as of Ind AS 115 at April 1, 2018	For the year 2018-19	
Assets	10,443.11	32.03	(17.97)	10,457.17
Liabilities	9,393.52	5.03	51.38	9,449.93
Equity	1,980.24	27.00	-	2,007.24

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2019 (Continued)

Note No 46. Disclosure persuant to Ind AS 115 "Revenue from Contact with Customers" (Continued)

(vi) Disclosure pursuant to Ind AS 115, "Revenue from Contracts with Customers"

₹ in Crores

Particulars	For the year 2018-19		
	As per Ind AS 11 and Ind AS 18	Impact of application of Ind AS 115 Increase / (decrease)	After application of Ind AS 115
Revenue from operations	8,737.30	(10.48)	8,726.82
Other Income	148.86	-	148.86
Construction and operating expenses	6,487.28	-	6,487.28
Administration and other expenses	2,091.52	(22.38)	2,069.14
Profit before tax	307.36	11.90	319.26
Tax expenses	84.82	-	84.82
Profit after tax	222.54	11.90	234.44
Basic earnings per share	30.91	1.66	32.57
Diluted earnings per share	6.53	0.35	6.88

In terms of our report attached

For PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
Firm Registration No. 012754N/N500016

SARAH GEORGE
Partner
Membership No. 045255

Place: Mumbai
Date: 25th June, 2019

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2019

For and on behalf of the Board of Directors

S.P.MISTRY
Chairman
Din:00010114

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

P.N.KAPADIA
Director
Din:00078673

N.D.KHURODY
Director
Din:00007150

R.M.PREMKUMAR
Director
Din:00328942

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2019

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/ joint venture

Part "A" Subsidiaries

₹ in Crores

Sr. No.	Name of the Subsidiary 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					
1	Hazarat & Company Private Limited	India	INR	1st April 2018 31st March 2019	100%	-	0.20	(0.18)	0.02	0.02	-	-	-	0.02	0.01	-	0.01	-
2	Afcons Corrosion Protection Private Limited	India	INR	1st April 2018 31st March 2019	100%	-	0.08	1.58	1.85	1.85	-	-	-	0.02	(0.01)	-	(0.01)	-
3	Afcons Offshore and Marine Services Pvt. Limited	India	INR	1st April 2018 31st March 2019	100%	-	0.10	1.20	1.31	1.31	-	-	-	-	(0.01)	-	(0.01)	-
4	Afcons Construction Mideast LLC	Dubai, UAE	AED	1st Jan 2018 31st Dec 2018	49%	18.98	0.57	(89.64)	359.97	359.97	-	-	-	419.04	(51.65)	-	(51.65)	-
5	Afcons Gulf International Projects Services FZE (100 % subsidiary of AMIL)	Fujairah	AED	1st Jan 2018 31st Dec 2018	100%	18.98	1.90	12.75	14.66	14.66	-	-	-	-	(0.27)	-	(0.27)	-
6	Afcons Infrastructures Kuwait for Building, Roads and Marine Contracting WLL	Kuwait	KWD	1st Jan 2018 31st Dec 2018	49%	230.02	2.76	7.35	10.17	10.17	-	-	-	3.38	2.17	-	2.17	-
7	Afcons Mauritius Infrastructure Limited, Mauritius	Mauritius	EURO	1st April 2018 31st March 2019	100%	77.97	8.58	0.95	9.56	9.56	-	-	-	0.64	0.54	(0.01)	0.53	-
8	Afcons Overseas Singapore Pte Ltd.	Singapore	SGD	1st April 2018 31st March 2019	100%	51.25	0.26	149.47	447.08	447.08	-	-	-	496.97	138.07	-	138.07	-
9	Afcons Infra Projects Kazakhstan LLP (Step down subsidiary)	Kazakhstan	KZT	1st April 2018 31st March 2019	100%	0.18	0.01	(18.81)	0.62	0.62	-	-	-	-	(1.48)	-	(1.48)	-
10	Afcons Saudi Construction LLC	Saudi Arabia	SAR	1st April 2018 31st March 2019	100%	18.51	0.94	(0.75)	0.99	0.99	-	-	-	-	(0.09)	-	(0.09)	-
11	Afcons Overseas Project Gabon SARL (Step down subsidiary)	Gabon	XAF	1st Jan 2018 31st Dec 2018	100%	0.12	0.01	188.57	284.47	284.47	-	-	-	299.44	133.79	-	133.79	-

Notes:

1) Names of subsidiaries which are yet to commence operations - Nil

2) 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 2018 / 31st March 2019.

3) The above statement does not include 28 controlled trust as the same is not as subsidiaries /associates/ joint venture company under Companies Act 2013.

Form AOC-I (Cont.)

Part "B" Jointly Controlled Operations

Sr. No.	Name of Associates / Joint Operations	Saipem Afcons Joint venture	Strabag -AG Afcons Joint venture	Ircon Afcons Joint Venture	Afcons Sener LNG Construction Projects Pvt.Ltd.	Afcons Gunanusa Joint Venture	Transtonnelstroy Afcons Joint Venture	Dahej Standby Jetty Project Undertaking	Afcons Sibmost Joint Venture	Afcons Pauling Joint Venture	Afcons Vijeta PES JV	Afcons SMC JV	Afcons Vijeta JV	Afcons JAL JV	Afcons KPTL JV
		Unincorporated JO	Unincorporated JO	Unincorporated JO	Incorporated JO (Refer Note 1)	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Partnership Firm (Refer Note 3)	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO
1	Latest audited Balance Sheet Date	31st December, 2017	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019	31st March 2019
2	**Shares of Associate / Joint operations held by the company on the year end**														
	No.	-	-	-	4,900	-	-	-	-	-	-	-	-	-	-
	Amount of Investment in Joint operations	-	-	-	49,000	-	-	-	-	1,74,00,000	-	-	-	-	-
	Extend of Holding %	50%	40%	47%	49%	100%	99%	100%	100%	95%	100%	100%	100%	100%	51%
3	Description of how there is significant influence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	**Reason why the associate/Joint operation is not consolidated**	N/A	N/A	N/A	N/A	N/A	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 Crs)	-	18.54	12.15	(1.82)	(29.54)	(37.45)	3.71	18.27	1.74	(0.04)	11.74	11.55	-	0.62
6	Profit / Loss for the year (₹ in Crs)														
	i. Considered in Consolidation	0.06	1.95	(0.35)	(1.00)	(4.69)	(3.73)	(0.03)	18.15	-	-	13.19	11.70	-	-
	i. Not considered in Consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1) Names of joint operations which are yet to commence operations - Afcons Sener LNG Construction Projects Pvt.Ltd.
2) Names of joint operations which have been liquidated or sold during the year - Nil
3) These entities are accounted in the Standalone/Consolidated Financial Statements in terms IND AS-110 & IND AS-111, however the same are not considered as subsidiaries /associates/ joint venture company under Companies Act 2013.

AFCONS INFRASTRUCTURE LIMITED

Registered office: “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053
Tel.: +91 22 67191000, Fax: +91 2226730027 /1031/0047, Website: www.afcons.com, CIN: U45200MH1976PLC019335

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	E-mail Id:
Folio No/ Client Id:	DP ID:
Registered address:	

I/We, being the member(s) of .... shares of the above named company, hereby appoint

1. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ……………………………………………………………………………….... Signature: ....

or failing him

2. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ……………………………………………………………………………….... Signature: ....

or failing him

3. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ……………………………………………………………………………….... Signature: ....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Forty-Third Annual General Meeting of the Company, to be held on Thursday the 26th September, 2019 at 4.30 p.m. at “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt
   a. the audited standalone financial statement of the Company for the financial year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon.
   b. the audited consolidated financial statement of the Company for the financial year ended 31st March, 2019 together with the Report of the Auditors thereon.
2. To confirm Interim dividend paid on the equity shares as Final dividend for the financial year 2018-19.
3. To declare dividend on Convertible Preference Shares.
4. To appoint a Director in place of Mr. S. Paramasivan (DIN: 00058445) who retires by rotation and being eligible offers himself for re- appointment.
5. To appoint a Director in place of Mr. Umesh N Khanna (DIN: 03634361) who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Branch Auditor of the Company.
7. To ratify the remuneration payable to the Cost Auditor for FY 2019-20.
8. To re-appoint Mr. Pradip Narotam Kapadia (DIN; 00078673) as an Independent Director of the company.
9. To re-appoint and revise remuneration of Mr. Giridhar Rajagopalan (DIN: 02391515) as whole-time Director designated as Executive Director (Technical) of the Company for a period of term of 3 years from 1st July, 2019 to 30th June 2022.
10. To re-appoint and revise remuneration of Mr. Akhil Kumar Gupta (DIN: 03188873) as Whole-time Director designated as Executive Director (Operations) of the Company for a period of term of 3 years from 1st July, 2019 to 30th June 2022.
11. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores.
12. To issue 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares aggregating to ₹ 100 Crores to Shapoorji Pallonji and Company Private Limited on Preferential Allotment Basis.

Signed this .... day of 2019

Affix Revenue Stamp

Signature of Member(s)... Signature of Proxy holder(s) ....

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hour before the commencement of the Meeting.
2. For Resolution, Explanatory Statement and Notes, please refer to the notice of the Forty-Third Annual General Meeting.
3. A Proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

AFCONS INFRASTRUCTURE LIMITED

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

ATTENDANCE SLIP

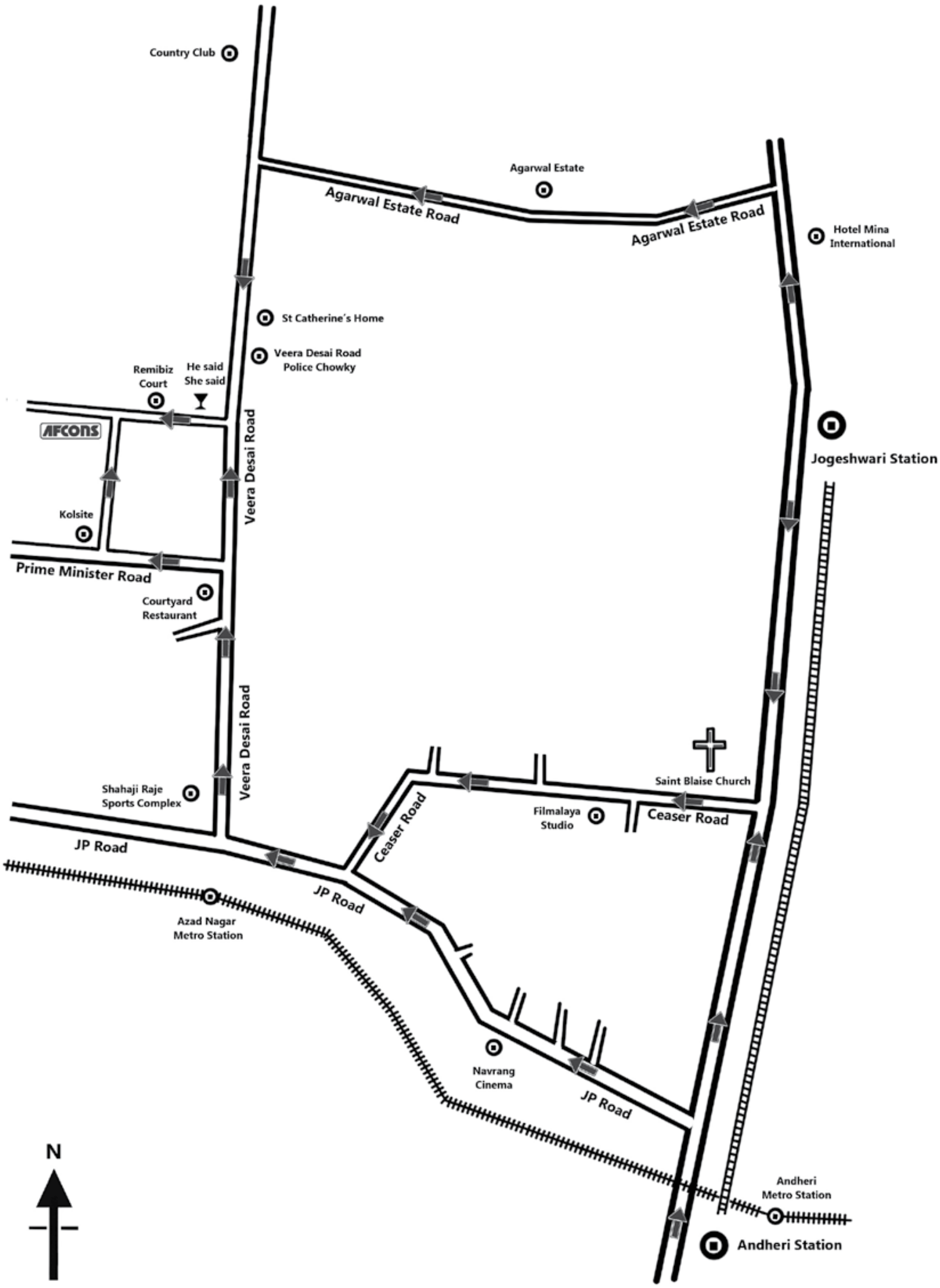
I hereby record my presence at the Forty-Third Annual General Meeting of the Company, to be held on Thursday the 26th September, 2019 at 4.30 p.m. at “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053.

Full Name of the *Member/Proxy : ………………………………………………………………………..

Folio No. OR Client/DP ID No. : …………………………….......................... No. of Shares held : ……….…………………….............

* strike out whichever is not applicable. SIGNATURE OF THE *MEMBER/PROXY

ROUTE MAP TO THE AGM VENUE



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Double Delight for Afcons

Afcons bagged the Runner-up award in Infrastructure Company of the Year category. Afcons was also awarded the Runner-up award in Project Manager of the Year category for Mr. Das Shanbhag, Project Manager, BMCT Project. The award ceremony was held in Mumbai on September 28, 2018.

Laurel for BMCT project

Afcons has bagged the "Construction Times Award" for the Best Executed Port & Harbour Project of the Year for the Bharat Mumbai Container Terminals Project.

D&B Award for ALEP

Agra Lucknow Expressway Project has won the Infrastructure Project Award at the prestigious "Dun & Bradstreet Awards 2018" at a ceremony held in New Delhi on October 31, 2018.

Honour for JNPT project

Afcons has won the Best Infrastructure Company of the Year for the Wharf and Approach Trestle for Fourth Container Terminal, JNPT, at the National Infrastructure & Construction Awards 2018, at a ceremony held in Mumbai on November 28, 2018.

CIDC awards for ALEP, JNPT

Two of Afcons' landmarks projects bagged the coveted CIDC Awards this year. Agra Lucknow Expressway Project won the Achievement Award For Best Construction Project (Roads & Highways). Bharat Mumbai Container Terminals at Jawaharlal Nehru Port was bagged the Achievement Award For Best Construction Projects (Shipping & Port).

Afcons bags two PRCI awards

For the second consecutive year, Afcons' documentaries have won awards at the Public Relations Council of India (PRCI) annual summit held in March 2019.

AFCONS INFRASTRUCTURE LIMITED

A Shapoorji Pallonji Group Company

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