



KALPATARU®



JMC Projects (India) Ltd.

A Kalpataru Group Enterprise

Learning From Yesterday. **Building For Tomorrow.**



Annual
Report
20₁₈¹⁹

JMC Projects (India) Ltd.

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Learning From Yesterday. **Building For Tomorrow.**

The results of past couple of years demonstrate that JMC is delivering a positive change and now have a solid foundation for future profitable growth. We have improved our profitability and significantly exceeded targets. We have upgraded capabilities, processes and controls while continuing to invest in latest equipment and technologies. As a result, we have improved not just the financial performance but have also sharpened our project management skills for superior execution and supreme project delivery.

At JMC, we believe that the road to success might be difficult but at the end it can be reigned. Our perseverance to imbibe change and continuous learning has helped us to successfully navigate through one of the most challenging phases in our existence. By focusing on selected markets and by diversifying into strategically important infrastructure businesses, we have been winning new business on improved terms. The obstacles that affected our progress are been steadily worked through and we have maintained one of the best performance in the sector. We have grown from strength to strength, vertical to vertical and most significantly from footprints to an indelible impression.

Owing to our deep domain knowledge and capabilities and sustained focus on strengthening processes and systems related to quality, safety and technology, we have gained status of a preferred contractor with many of our clients, who trust us for relentless execution, timely delivery and unmatched quality.

Our strategy is to further strengthen JMC's position in core markets and expand our footprint in under-penetrated sub-verticals within the infrastructure business, while improving profitability and adopting a rigorous risk management approach. Our businesses are flexible, allowing us to quickly adapt to varying market conditions in Building & Factories (B&F) and infrastructure business. We will continue to invest in developing new capabilities, operational excellence, digitalisation and people development in order to make JMC a force to reckon in the construction and infrastructure sector. JMC's diversified portfolio offerings and capabilities spread across buildings, factories and infrastructure businesses makes it well positioned for future growth. Strategically, JMC is best positioned today than has been the case for many years.



Residential & Commercial Projects in South India

JMC at a Glance

JMC Projects (India) Ltd., a subsidiary of the Kalpataru Power Transmission Ltd. (KPTL), is engaged in the execution of civil and structural works for commercial, residential and institutional buildings, government infrastructure projects, power plant projects and industrial projects. JMC has end-to-end capabilities to execute civil works, design & build composite works, MEP, HVAC, structural works, finishing works, utilities, area development etc. JMC also has four road BOOT projects that are fully operational on full toll and full length basis.

CORE VALUES



Footprints in

**India, SAARC,
Africa**

Delivered over

150+ Mn sq.ft

Development work

Over

3,700+

Employees

First EPC Company
to implement

**SAP S4HANA
1610 with CPM**

Certified under

**ISO 9001:2015,
ISO 14001: 2015,
ISO 18001:2007**

BUSINESS PRESENCE

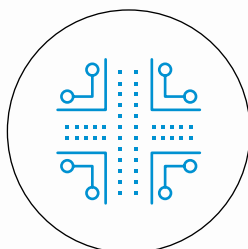
BUILDINGS

RESIDENTIAL
COMMERCIAL
INSTITUTIONAL
RECREATIONAL



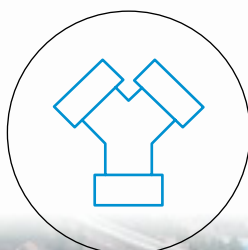
TRANSPORTATION

HIGHWAYS
ELEVATED CORRIDORS
RAILWAYS
METRO RAIL



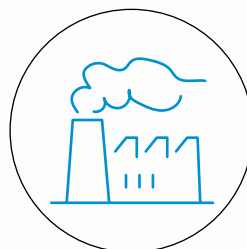
WATER

INTAKE & TREATMENT
PIPELINE TRANSMISSION
STORAGE & DISTRIBUTION
IRRIGATION



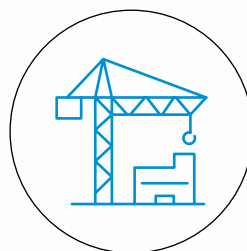
INDUSTRIAL

POWER PLANTS
INDUSTRIAL PLANTS
FACTORIES
AREA DEVELOPMENT



URBAN INFRA

TRANSIT TERMINALS
MULTI-LEVEL CAR PARKS
RAILWAY STATIONS
AIRPORTS



Township Project in South India



Financial Highlights

	(₹ in Crores)				
Standalone	2014-15	2015-16 [#]	2016-17	2017-18	2018-19
Total Income	2,413	2,409	2,343	2,773	3,278
Growth (%)	-9.4	-0.2	-2.8	18.4	18.2
Total Expenditure	2,237	2,186	2,118	2,471	2,916
Operating Profit (PBDIT)	177	223	225	302	362
Core EBITDA*	163	214	211	285	337
Interest	84	105	84	86	95
Depreciation	49	52	57	72	78
Profit Before Tax (PBT)	44	66	84	145	189
Provision for Income Tax / FBT / Deferred Tax	14	22	26	39	46
Profit After Tax (PAT)	30	44	58	106	143
Total comprehensive income for the period	30	44	56	105	148
Equity Share Capital	26	34	34	34	34
Net Worth	446	638	690	789	923
Long-Term Borrowings	316	282	231	314	391
Short-Term Borrowings (including current maturity of long-term debts)	420	454	406	422	375
Total Borrowings	736	736	637	737	766
Capital Employed (Net Worth + Total Borrowings)	1,182	1,374	1,327	1,526	1,689
Debt Equity Ratio (Total)	1.65:1	1.15:1	0.92:1	0.93:1	0.83:1
Debt Equity Ratio (Long-Term)	0.71:1	0.44:1	0.34:1	0.40:1	0.42:1
Book Value per Equity Share** (₹)	34.1	38.0	41.1	47.0	55.0
Earnings Per Equity Share** (₹)	2.2	3.2	3.5	6.3	8.5
Equity Dividend (%)	10	10	15	30	35
Core EBITDA Margin (%)	6.8	8.9	9.1	10.3	10.4
Operating Profit (%)	7.4	9.3	9.7	10.9	11.1
Profit Before Tax (%)	1.8	2.7	3.6	5.2	5.8
Profit After Tax (%)	1.2	1.8	2.5	3.8	4.4
Return (Pre-tax) on Average Networkth (%)	9.8	12.2	12.6	19.6	22.0
Return on Average Capital Employed (%)***	12.4	13.4	12.4	16.2	17.7
Order Backlog at the year end****	5,653	6,149	7,047	7,616	9,962
No. of Employees	3,523	3,360	3,279	3,324	3,781

[#] The Figures for the 2015-16 is regrouped as per Ind-AS requirement.

* Core EBITDA = Operating Profit (PBDIT) - Other Income.

** In 2018-19, the Company has sub-divided the face value of equity share from ₹ 10.00/- each to ₹ 2.00/- each. The record date for sub-division was 5th October 2018. Book Value per Equity Share and Earning Per Share (EPS) of previous period have been restated.

*** For calculating Return, interest is added back in Profit Before tax.

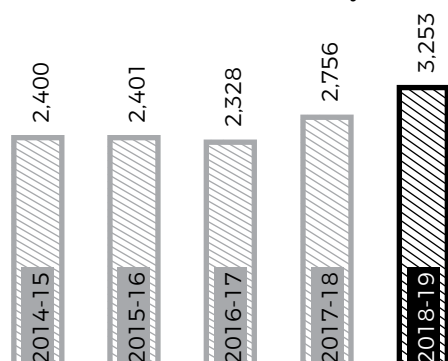
**** Includes orders in the name of Joint Ventures.

Sales

(₹ in Crores)

8%

5-year CAGR

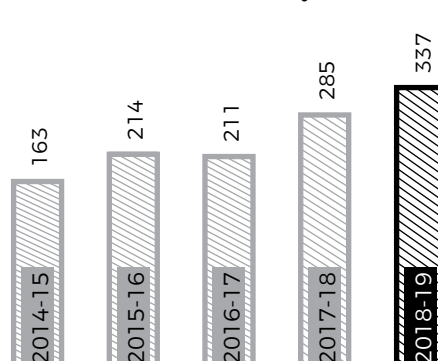


Core EBITDA

(₹ in Crores)

20%

5-year CAGR

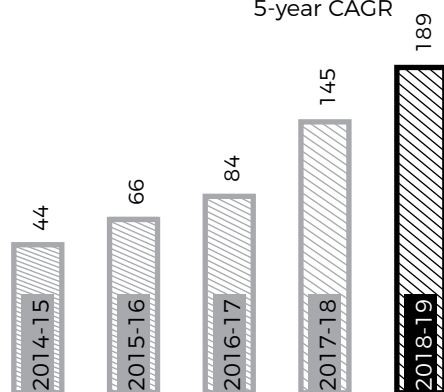


PBT

(₹ in Crores)

44%

5-year CAGR

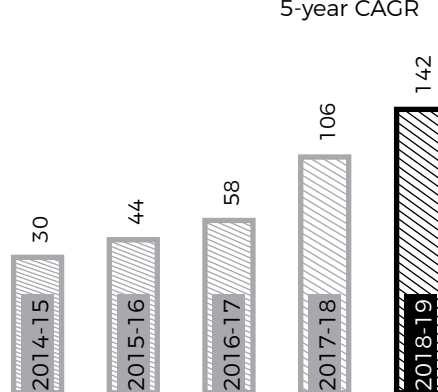


PAT

(₹ in Crores)

48%

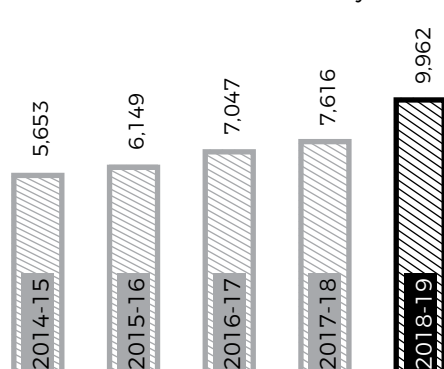
5-year CAGR



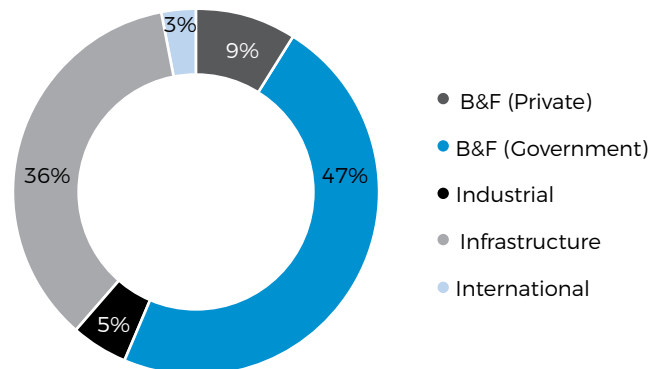
Order Book

15%

5-year CAGR



Order Book Composition as on 31st March 2019



Message from CEO



The financial year 2018-19 has been a momentous year for JMC as far as order inflows are concerned. We received new orders of ₹ 3,152 Crores in B&F business and ₹ 2,477 Crores in infrastructure business.





JMC reported revenue growth of 18% to ₹ 3,253 Crores driven by well-planned execution across both Buildings & Factories (B&F) and infrastructure business.



Dear Shareholders,

It is a moment of great pleasure for me as I write to you about JMC's performance in the 2018-19. The financial year 2018-19 has been memorable one and has positively emerged as a year of many 'firsts'. We ended the year on a bright note, as we created the milestone of ₹ 3,253 Crores in revenue, ₹ 143 Crores in PAT and ₹ 9,962 Crores in order book. This is a source of great pride for all of us at JMC and in fact, it is one that signifies our strength and capabilities in the businesses we operate in. Our achievements over the past few years also confirms that JMC is heading in the right strategic direction with greater expectations of us as a Company and new ambitions which we must fulfil

in order to keep growing in our role as a respected civil contracting and EPC Company.

While keeping a steady focus on the business's current performance, we also remain attentive towards putting our drivers for growth in the accurate places. In the current scenario, it implies a pointed focus on areas like prudent diversification within EPC segments, higher share of international revenue, better capital management and leveraging technology and digitalization that shall enable us to achieve greater operational efficiency. These drivers will help us to deliver benefits appropriate to each of our stakeholders and at the same time, shall aid in maintaining a definite level of growth and efficiency that effectively leads to sustainable and profitable earnings for our shareholders. Additionally, it allows us to offer our employees to work in an environment that is innovative, safe, ethical and rewarding.

Strong performance across businesses

Operationally, the Company performed well across all the business verticals and majority of the financial parameters. For 2018-19, JMC reported revenue growth of 18% to ₹ 3,253 Crores driven by well-planned execution spread across both Buildings & Factories (B&F) and infrastructure business. Our core EBITDA grew by 18% to ₹ 337 Crores and PAT grew by 34% to ₹ 143 Crores backed by focused execution, several cost optimization initiatives and focused working capital management.

The financial year 2018-19 has been a momentous year for JMC as far as order inflows and the order book is concerned. We received new orders of ₹ 3,152 Crores in B&F business and ₹ 2,477 Crores in infrastructure business. The Order Backlog as of 31st March 2019 stood at ₹ 9,962 Crores compared with ₹ 7,616 Crores in the previous year.



On a consolidated basis, our revenues have increased by 18% to reach ₹ 3,407 Crores in 2018-19. PAT for 2018-19 stood at ₹ 77 Crores, marked by an increase of 185%.

Strategic progress

We continue to strengthen our execution capabilities and reaffirm market share in our B&F business across select growth markets, leveraging our strong project management skills, quality deliverables, established systems and client relationship. We are continuously exploring and examining opportunities to work more on projects that are large in size and are composite in nature. This year JMC recorded reasonable progress in expanding its client base and has been able to secure new clients in the B&F business.

Our focus on the infrastructure development opportunities in India continues to remain high during the year, we strengthened our presence in the strategic sectors like water, urban infrastructure, roads and bridges. JMC is well positioned to take advantage of rapid infrastructure development in India given its strengths, experience and domain expertise across various segments of infrastructure.

Our successful foray into the international business has made us strongly believe that this could be one of the biggest growth drivers for JMC in the coming years. During the year, we evolved our international business strategy and strengthened our business development efforts. We are confident about expanding to several new countries in the next couple of years across Africa and SAARC markets. We will continue to leverage KPTL's strong presence in international markets and will look for more multilateral funded projects in the infrastructure and B&F domain.

With an aim to boost digital and technology adoption, the last year witnessed the implementation of the most advanced SAP based transformation project to drive process efficiencies. We also undertook numerous initiatives to support and make our project management more integrated so that our project delivery materializes on time, within budgets and complies with superior quality and sustainability norms. During 2018-19, we undertook new, dynamic and crucial initiatives in areas related to project monitoring, plant and machinery, procurement, supply chain management and logistics to accelerate digital transformation and operational excellence, which shall seek to actively drive our goal to increase efficiency, improve profitability and advance project controlling.



During the year, the Company continued to focus on nurturing its employees. Many initiatives have been undertaken by the Company to make JMC an employer of choice. These initiatives will continue to focus on learning and development, health management, environmental protection and safety. The Company has also undertaken efforts in enhancing the competence and engagement with its employees through digital technology.

Looking ahead

In the face of global economic volatility and risks driven by socio-political factors, India's macro-fundamentals are robust. The infrastructure sector has been the government's biggest focus area for several years now. The increased impetus for accelerating infrastructure development will open up vast opportunities for construction players in segments such as roads, urban

transport, railways, airports, water and housing. With the Company's strengths and competence in buildings, industrial and infrastructure, JMC is well-placed to amass and capitalize on this opportunity. The Company will continue to focus on sustaining profitable growth and shall strive to drive operational excellence.

I thank our customers, bankers, shareholders and other stakeholders for their continuous support. I also extend a special vote of thanks to our employees for their tremendous engagement and efforts over the past year.

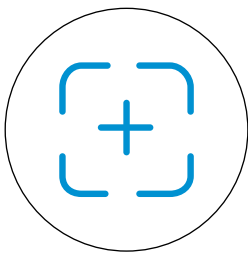
Shailendra Kumar Tripathi

CEO and Deputy Managing Director

Learning from Yesterday - Building on a Strong Foundation

Over the past few years, we have focused on numerous areas to improve our performance - each area is a strength in itself but, together, they combine to set us apart from our competitors, giving us a solid platform from which to innovate and grow.

We have steadily grown the scale and scope of the business, operating across wide range of segments within the construction and infrastructure sector and emerging as one of India's respected civil construction Company.

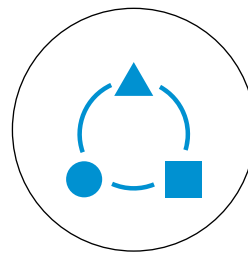


Improved Focus on B&F Business with Strong Competitive Position

We have focused on the strong competitive positions that our B&F business have with an aim to foster the existing positions and address the existing and new market growth opportunities. By focusing on our selected markets, we have been winning new business on improved terms; the issues, which have held back our performance in previous years are being steadily worked through and we have maintained one of the strongest market position in the B&F construction space.

We have also brought prudence in our bidding strategy and are increasingly looking for works that have fair contract and payment terms. JMC has also strengthened its capabilities in the buildings construction business especially in areas like finishing works, design build and MEP.

More importantly, we have put impeccable reputation for customer relationship through outstanding service, timely delivery and immaculate quality. This has helped us to garner repetitive orders from the same clients over past many years.



Strategic Diversification in Infrastructure business and Investing in high-growth categories and regions

Starting from our first infrastructure project in 2007-08 today we have developed key capabilities across various segments of infrastructure namely, roads & bridges, metro railway, water, irrigation etc.

JMC has focused on strategic diversification with foray into areas like Water & Irrigation, Large Size Projects, Metro & High Speed Rail, Design-build & Composite works. In these key categories, we are determined to develop strong market positions and highly differentiated offerings.

JMC has also expanded in international markets and continues to look for more opportunities in high-growth regions - Africa and SAARC. JMC is leveraging strong parentage of Kalpataru Power Transmission in most of these markets given KPTL's local know-how and existing presence.

JMC organic growth and internationalization efforts are receiving high emphasis from a capital allocation standpoint. Significant investments are being made in capability development, equipment, machinery and business development in a disciplined way and with an aim to maximize the value of existing businesses.

Our Growth in Water Business

JMC is one the fastest growing Company in the Water business with capabilities to undertake all types of Water – Treatment, Transmission and distribution projects.

The Company ventured into water and waste-water business segment in 2015. In the year 2016, JMC secured its first international water EPC contract in Sri Lanka for Jaffna Water Supply Scheme. Water Division has also successfully executed water projects in Raipur, Ahmedabad, Bhopal, Indore and Bhagalpur.

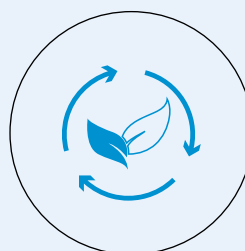
In order to serve urban development sector JMC secured two 24 x 7 water supply scheme projects namely -Burhanpur Water Supply Project and Khargone Water Supply Project in Madhya Pradesh in the year 2017.

In the year 2017, as a part of Company's strategy to establish itself as a major player in Water Infrastructure, the Company started marching towards developing expertise in executing Engineering Procurement Construction (EPC) contracts for Water Infrastructure etc. which are going to be major thrust in coming years.

In the year 2018, JMC led consortium has secured two turnkey projects under Micro Lift Irrigation Scheme worth ₹ 2,650 Crore from Narmada Valley Development Authority (NVDA) in Madhya Pradesh. The share of JMC in this consortium is ₹ 1700 Crore.

In the year 2018 and 2019, as an initiative to serve rural development sector, JMC secured projects in Odisha for Rural Water supply schemes at Koraput, Dhenkanal and Khurda districts.

JMC's Water Business order book stood over ₹ 2,500 Crore as on 31 March 2019. At present JMC has strong presence in Madhya Pradesh, Chhattisgarh, Bihar and Odisha, apart from International presence in Sri Lanka.



Focus on sustainable profitability and disciplined capital allocation

Achieving, a strong balance sheet and better returns ratio continue to be core to JMC's business strategy. We have sustained focus on improving working capital management and bringing in cost efficiencies. Our priorities for how we use our capital remain unchanged, as we will continue to invest in our core EPC business to support organic growth. We have well defined our priorities for road BOOT assets with an objective to free up resources to provide fuel for growth and innovation in our EPC business.

We were able to grow our core EBITDA margins from 6.8% in 2014-15 to 10.4% in 2018-19. Our Interest cost as percentage of sales has also reduced from 3.5% in 2014-15 to 2.9% in 2018-19 given our directed efforts to rationalize the debt structure.



AIIMS Raebareli - Housing Project



Embracing operational excellence and adapting the digital route

In addition to our growth agenda, we are actively pursuing several cost-saving initiatives primarily focused on the areas of site operations and procurement. We continued to strengthen our business by focusing on operational excellence and simplifying and standardising processes with an aim to make our project delivery more efficient. To achieve this, we have designed lean and integrated processes powered with technology and digital framework.

JMC is currently concentrating on harnessing opportunities presented by digitalization. During the year, we created a single Digital and Technology structure with a shared goal to systematically exploit the opportunities that digitalization has to offer for the construction business. Through the digital enabled products and processes, JMC aims to continuously increase its efficiency, raise execution quality and improve project controlling. After the successful implementation of SAPS4 HANA last year, this year we have started pursuing and are piloting on various initiatives in areas like digital dashboards and apps for monitoring construction progress, drone and aerial based solutions for project monitoring and surveys, GPS tracking for Plant, Machinery and Vehicles, Technology based HR processes etc.

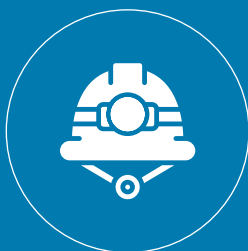


Developing Talent as Our Core Strength

A skilled and dedicated workforce is critical to our business success. JMC is taking initiatives to attract and retain a talented workforce that is totally engaged and with an energy for change. We have strengthened our recruitment processes and continued our capability development programmes across the business. During the year, we inducted over 100 Graduate Engineering Trainees (GET's) from top colleges across India. JMC also inducted talent from leading institutions like Indian School of Business for strategic positions across several functions and regions. We provide Executive Education to our employees in areas related to project management, supply chain management etc. to encourage and support them in upgrading their skills and credentials.

The HR Mantra for this year was digital transformation for people centricity. JMC has embarked on the journey of digitalization of HR service by launching of "Human Tree" (SAP Success Factor HR Services Platform). This is a big leap towards achieving employee engagement across different business units and promoting more openness and hands-on approach in resolving HR issues.

During the year, we upgraded our site facilities by providing better infrastructure and administrative support to employees for their well-being. At project sites, we also improved and standardized staying conditions for construction workers with an aim to improve hygiene and offer more recreational activities.



Dedicated HSE Processes

At JMC, ensuring employee safety and health are moral imperatives. Without a safe and healthy workforce, we cannot be productive and profitable. Driven by our commitment towards quality management system, we emphasize on Process Driven approach and Robust Review Mechanism, placing intense focus on Training, Effective Communication, Safety Walk Through and Audit Mechanism. With regards to this, the consistent awards and recognition received by us like RoSPA Awards, British Safety Council award coupled with various National Level Safety awards are a testimony to our commitment towards Safety.



Board of Directors



Mr. D. R. Mehta Chairman – Independent Director

Mr. D. R. Mehta, B.A., LL.B and Management Graduate of Royal Institute of Public Administration, London and Alfred Sloan & School of Management MIT - Boston, USA, joined the Indian Administrative Service in 1961. He has rich experience of more than 40 years during which, he held various important positions in Government of Rajasthan, Government of India. He was Deputy Governor of RBI, Chairman of SEBI etc.



Mr. Shailendra Raj Mehta Independent Director

Mr. Shailendra Raj Mehta has done Bachelor of Arts from St. Stephen's College and Master of Arts from the Delhi School of Economics, M.Phil from Balliol College, Oxford University and his Ph.D. in Economics from Harvard University. He is currently the President & Director of Mudra Institute of Communications (MICA). Earlier to this, he served as Chairman of the Board of Management of Auro University, Provost/Vice Chancellor of Ahmedabad University and also Visiting Professor of Business Policy at the Indian Institute of Management, Ahmedabad. He has done extensive research in the areas of Entrepreneurship, Industrial Organization, Information Economics and Experimental Economics. He has been associated with reputed organizations such as IBM, Honeywell, Microsoft, Infosys, State Bank of India and others.



Ms. Anjali Seth Independent Director

Ms. Anjali Seth has over 30 years of experience in advising top banks, financial institutions and corporates on a range of matters including M&A, PE Investments, industrial and employee relations, corporate governance, real estate negotiation, legal matters, statutory issues and litigations. She has been associated in various positions with International Finance Corporation, ANZ Grindlays Bank, Standard Chartered Bank, Emmar Properties (UAE) and Swadhar Finserve Limited. She holds bachelor's degree in Law.



Mr. Hemant Modi Non-Executive Director

Mr. Hemant Modi has a Master's Degree in Civil Engineering from Rutgers, the State University of New Jersey, U.S.A. and a Bachelor's degree in Civil Engineering from M.S. University of Baroda. He has over 30 years of experience in the field of management and execution of construction of Industrial structures and factory buildings. Mr. Modi was responsible for successful execution of all projects undertaken by JMC. Mr. Modi has extensive experience in the design and construction management of various Civil Engineering projects. He has worked with many private and government agencies on small and large projects both in India and in the United States.



Mr. Manish Mohnot Non-Executive Director

Mr. Manish Mohnot is a qualified Chartered Accountant and a Cost Accountant. He has also done an advanced management program from Harvard University, U.S.A. He has more than two decades of experience in areas related to power, oil & gas, infrastructure, consulting, banking and business development. He has also been associated with reputed multinational banks and consulting firms. He serves as "Managing Director & CEO" of JMC's parent Company Kalpataru Power Transmission Limited.



Mr. Shailendra Kumar Tripathi CEO & Dy. Managing Director

Mr. Shailendra Kumar Tripathi is a Civil Engineer from Government Engineering College, Jabalpur, Madhya Pradesh. Since passing out in 1984, he has worked in major Infrastructure companies like Gammon India, Larsen & Toubro Limited and Oriental Structural Engineers Private Limited. He has over three decades of experience in the field of project planning and execution of large size infrastructure projects involving roads and airports. His technical, strategic decisions and leadership skills coupled with his sound financial and business sense has helped him in securing and successfully implementing many projects in Public Private Partnership model. He joined JMC Projects (India) Ltd. in 2008.



Mr. Kamal Jain Non Executive Director

Mr. Kamal Jain is a Chartered Accountant having rich experience of over three decades in the field of finance, taxation, corporate affairs and human resource developments. He served as "Chief Financial Officer" of JMC's parent Company Kalpataru Power Transmission Limited.



Mr. Manoj Tulsian Whole-time Director & CFO

Mr. Manoj Tulsian, is a qualified Chartered Accountant, Company Secretary and Cost & Works Accountant. He has more than two decades of experience in the field of Finance, Taxation, Legal, Corporate Affairs, Merger & Acquisition and Secretarial matters. Prior to joining JMC, he has served as CFO of VIP Industries Ltd. where he has made major contribution in turnaround of the business including streamlining the international operations. He has also worked as CFO of Gabriel India Ltd. wherein, inter alia, he worked extensively in getting strategic alliance for one of its technology driven business.

Corporate Information

BOARD OF DIRECTORS

Mr. D. R. Mehta (DIN: 01067895)
Chairman – Independent Director

Mr. Shailendra Kumar Tripathi (DIN: 03156123)
CEO & Dy. Managing Director

Mr. Manoj Tulsian (DIN: 05117060)
Whole-time Director & CFO

Mr. Shailendra Raj Mehta (DIN: 02132246)
Independent Director

Ms. Anjali Seth (DIN: 05234352)
Independent Director

Mr. Hemant Modi (DIN: 00171161)
Non-Executive Director

Mr. Manish Mohnot (DIN: 01229696)
Non-Executive Director

Mr. Kamal Jain (DIN: 00269810)
Non-Executive Director

BOARD COMMITTEES

Audit Committee

Mr. D. R. Mehta, Chairman
Mr. Shailendra Raj Mehta
Ms. Anjali Seth
Mr. Kamal Jain

Stakeholders Relationship Committee

Mr. Kamal Jain, Chairman
Mr. S. K. Tripathi
Mr. Manish Mohnot
Ms. Anjali Seth (w.e.f. 01.04.2019)

Nomination and Remuneration Committee

Mr. Shailendra Raj Mehta, Chairman
Mr. D. R. Mehta
Mr. Manish Mohnot

CSR Committee

Mr. D. R. Mehta, Chairman
Mr. S. K. Tripathi
Mr. Kamal Jain

COMPANY SECRETARY

Mr. Samir Raval

AUDITOR

B S R & Co. LLP
Chartered Accountants

BANKERS

Oriental Bank of Commerce
State Bank of India
Axis Bank
ICICI Bank
IDBI Bank
Indian Bank
Union Bank of India
Punjab National Bank
Karur Vysya Bank
Yes Bank
Export Import Bank of India

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited

REGISTERED OFFICE

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Website: www.jmcprojects.com
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CORPORATE OFFICE

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REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
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Statutory Reports



Management Discussion & Analysis



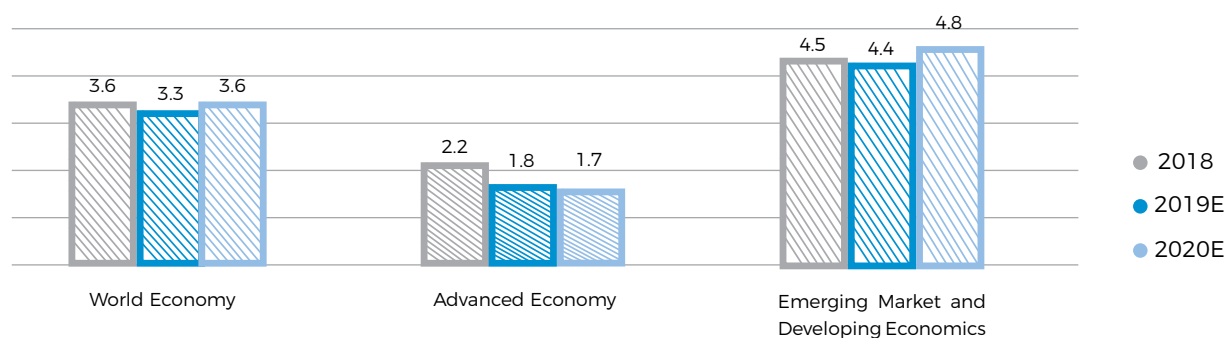
Global Economic Overview

The global economy posted a growth of 3.6% in 2018 on account of several favourable policies and significant progress in some large economies and emerging markets which were able to set off the major headwinds facing the global economy.

The global economy is projected to moderate to 3.3% in 2019 before rising back to 3.6% in 2020. Global economic growth is expected to moderate in 2019 mostly due to softer dynamics among developed economies, Brexit-related uncertainties and trade tensions between the

US and China. Nevertheless, the global economy is seen benefiting from tight labor markets, robust domestic demand and investment boosted by infrastructure projects in South Asia, accommodative monetary and policy stimulus in some countries like China. Beyond 2020, global growth is set to grow by about 3.6% over the medium term, sustained by the increase in the relative size of economies, such as those of China and India, which are projected to have robust growth by comparison to slower-growing advanced market economies.

GDP Growth Rate (in %)

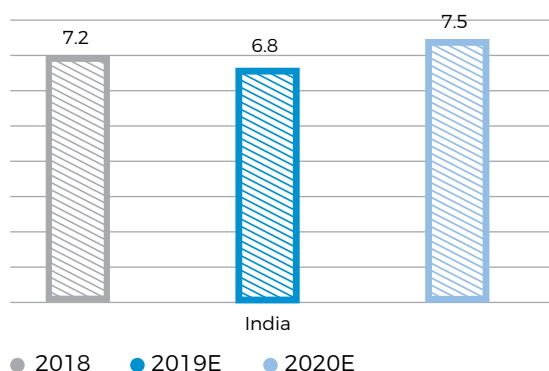


Source: World Economic Outlook by International Monetary Fund (IMF)

Indian Economic Overview

India continues to be one of the fastest growing major economies in the world and is expected India is forecast to overtake the UK to become the world's fifth largest economy in 2019. India's GDP grew at 6.8% in 2018-19, remaining the fastest growing economy in the world.

India's Real GDP Growth (in %)



Source: World Economic Outlook by International Monetary Fund (IMF), CSO

Investment is growing steadily, driven by the gradual increase in capacity utilisation, large infrastructure programmes and recent structural reforms which are supporting investors' confidence, in particular the new Insolvency and Bankruptcy Code and public bank recapitalisation. Private consumption remains strong, in particular in rural areas where incomes are benefitting from the good monsoon and steady government spending on rural roads, housing and employment programs.

India has recorded a jump of 23 positions against its rank of 100 in 2017 to be placed at 77th rank among 190 countries assessed by the World Bank in 2018. India's leap of 23 ranks in the Ease of Doing Business ranking is significant considering that last year India had improved its rank by 30 places, a rare feat for any large and diverse country of the size of India. Because of continued efforts by the Government, India has improved its rank by 53 positions in last two years and 65 positions in last four years.



Industry Overview

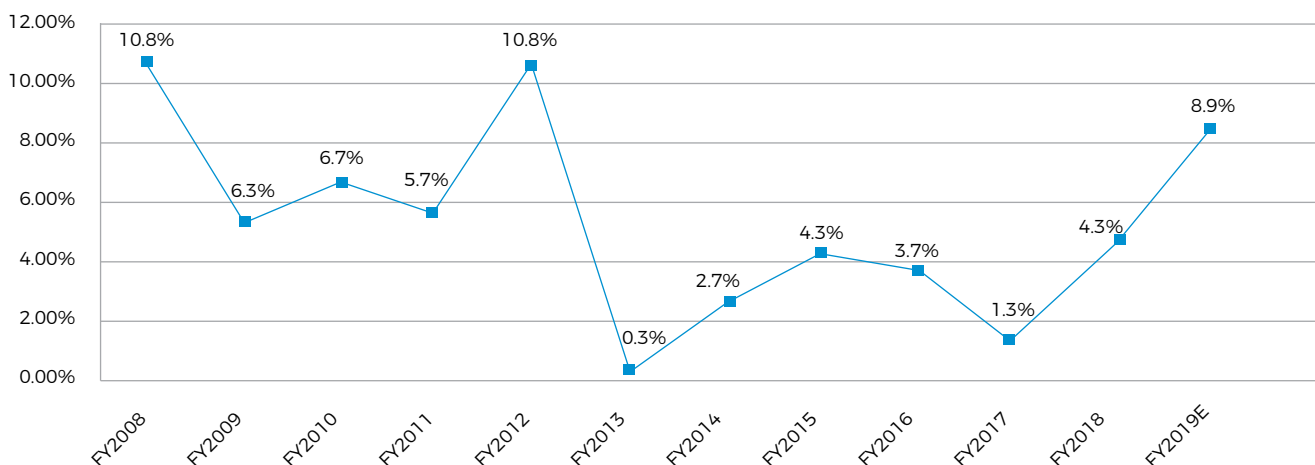
1. Construction Industry

Construction industry in India is one of the fastest growing industry and is said to be second largest industry in India after agriculture. The sector also makes significant contribution to the national economy, around 11% of GDP, along with providing employment to the large number of people. The construction industry is broadly categorised into three segments Infrastructure (Roads, Railways, Irrigation etc.), Industrial (Refineries, Power Plants, Factories etc.) and Real Estate (Residential, Commercial, Institutional etc.).

The Indian construction industry regained its growth momentum in 2018-19, helped by positive developments in economic conditions, improvement in investor confidence and investments in transport infrastructure, energy and housing projects. As infrastructure is highly responsible for propelling growth of other sectors and India's overall development, Government of India is giving huge impetus for development of infrastructure and construction services through focused policies such as open FDI norms, large budget allocation to infrastructure sector, housing for all, smart cities mission etc. India has become a large market for infrastructure and construction activities.



Construction Growth (Real GVA)



Note: Data per 2012-13 is in GDP terms and post is GVA terms, both are similar estimates.

Source: CSO, Govt of India.

Real Estate

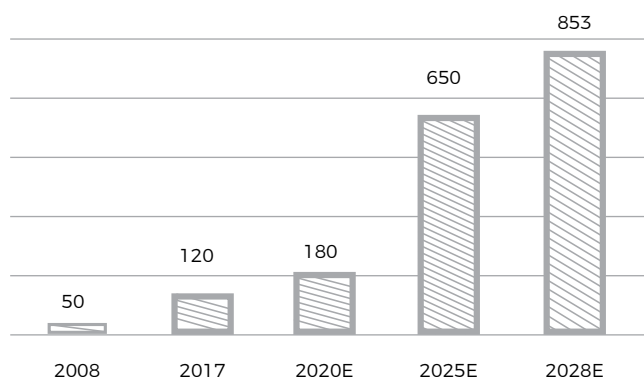
The real estate markets are slowly witnessing a revival, post the slowdown in 2017. This has been on account of the uncertainty regarding implications of policies, including the Real Estate (Regulation and Development) Act, 2016 (RERA) and the Goods & Services Tax (GST) gradually settling. The government's policy push to affordable housing is helping this segment gain traction and developers across the country are showing a keen interest in participating in this sector's growth story. The Indian real estate segment appears to be on a recovery path as the residential realty sales grew by 6% in 2018 compared to the previous year, according to a report by Knight Frank. The total sales of residential units across the country were estimated to be close to 242,328 in 2018. In the residential space, the total number of new units launched in the year 2018 was estimated to be 182,207 higher by 75% when compared to 2017. During 2018, the office space leasing reached a historical high of 46.8 Million square feet in the commercial segment.

The real estate sector holds considerable significance in India and is expected to contribute about 13% by 2025. By 2030, the Indian real estate industry is expected to touch USD1 trillion, becoming the third largest globally.

Indian Real Estate - Market Size (USD billion)

19.5%

CAGR from 2017 to 2028

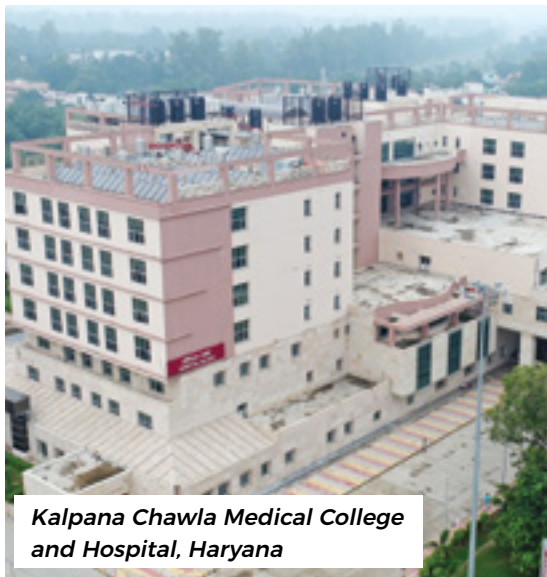


Source: KPMG Report on Indian Real Estate, 2018.

Growth Drivers of Real Estate

The key factors driving the real estate sector are as follows:

- Affordable Housing & Housing for All:** The housing shortage in India stood at 63 Million units in 2012. While the overall demand continues to swell, affordable housing has emerged as a trigger for the sector's overall growth driven by the Central Government. The government has taken an aggressive stance to promote affordable housing in the country. It launched an initiative, 'Housing for All by 2022', or Pradhan Mantri Awas Yojana (PMAY, Urban and Grameen) with a goal of building 20 Million affordable houses by 31 March 2022 for urban poor through financial assistance of ₹ 2 trillion (USD29 billion). As part of the initiative, the government granted infrastructure status to enable affordable projects to avail benefits such as lower borrowing rates, tax concessions (100% tax immunity for developers) and increased private investment.
- Residential Demand in Metros:** Rising population and urbanisation provides impetus to urban housing. As per the 2011 census, over 30% of India's population lives in urban areas and by 2030, this number is expected to grow to 40% of the country's population. The Ministry of Housing estimated a housing shortage of 18.78 mn houses during the 12th plan period. The country's total urban housing shortage is projected to be about 30 mn by 2022.
- Commercial Real Estate:** Indian office markets have shown considerable vibrancy over the past few years and total investments in the asset class have shown an improving trend since 2013. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Commercial office stock in India is expected to cross 600 Million square feet by 2018 end while office space leasing in the top eight cities is expected to cross 100 Million square feet during 2018-20. Co-working space across top seven cities has increased sharply in 2018 (up to September), reaching 3.44 Million square feet, compared to 1.11 Million square feet for the same period in 2017. India's office market is one of the well-organised office markets in the Asia-Pacific region and the upcoming Real Estate Investment Trust (REITs) structure is likely to help the sector become even more efficient.



Office absorption is likely to rise steadily in the medium-term on the back of strong economic fundamentals and positive occupier and investor sentiment.

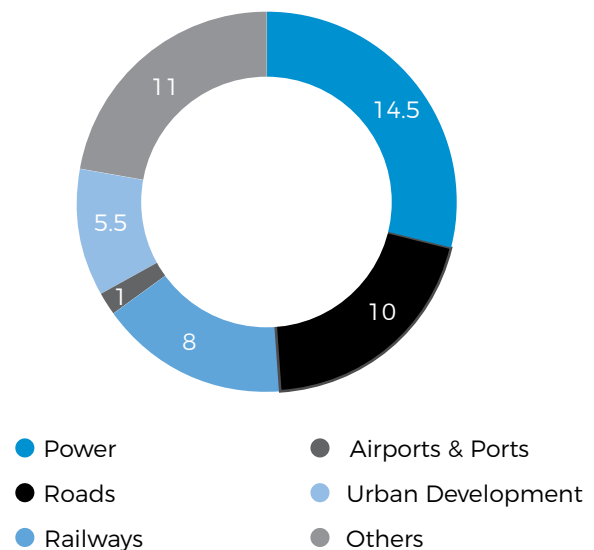
- **Government Projects:** Shortage of houses for government employees remains a major issue for the government. To address this, central and state governments have undertaken various schemes to provide accommodation to government employees. Also, government has increased capital outlay for development of new institutions like AIIMS, IIT, IIMs, Exhibition centres, Railway Station redevelopment etc.

In all, opportunities for civil construction players in the real estate field are increasing at a fast pace. The business environment for real estate also observed rapid changes with a series of reforms in the form of implementation of Real Estate (Regulation & Development) Act, 2016, the Goods & Services Tax (GST), Benami Properties (Prevention) Act and the Insolvency & Bankruptcy Code. While the implementation of GST and RERA led to some initial challenges for developers, most of the issues have been addressed and the industry as a whole is aligned. Additionally, RERA mandates disclosures on project standards, completion timelines and it mandates deposit of sales receipts in escrow accounts for all new projects launches. This significantly enhances clarity on project execution timelines and certainty on timely payments for civil contractors. Also, implementation of RERA is driving shift towards large organised civil contractors given the adherence to timely completion and quality deliverables.

2. Infrastructure Industry

India continue to be the fastest growing major economy second time in a row in 2018-19. The 6th largest economy in the world by nominal GDP and 3rd largest economy globally by Purchase Power Parity (PPP). With large share in world FDI inflows and Trade, demand of strong Infrastructure is essential. The infrastructure sector has been the government's biggest focus area for several years now. Investment worth ₹ 50 trillion (US\$ 777.73 billion) is required in infrastructure by 2022 to have sustainable development in the country. The increased impetus for accelerating infrastructure development will open up vast opportunities for construction players. Sectors such as roads, railways, airports, power and ports are likely to witness greater construction activities.

Sectorwise Investment Projections 2018-2022 (in ₹ Trillion)



Union Budget 2019-20 highlights:

Going with the momentum created over the last five years, the government apportioned a budgetary support of approximately ₹ 4.56 Lakhs Crores under the union budget for the infrastructure sector for financial year 2019-20. This includes roadways, railways, shipping and aviation.

- **Roads:** India has emerged as the fastest road developer in the world with 27 km of highways being built each day. ₹ 83,000 Crores has been allocated to the highway sector. Under the

Pradhan Mantri Gram Sadak Yojana (PMGSY), construction of rural roads has tripled. Out of 17.8 Lakhs habitations, 15.8 Lakhs have been connected with pucca roads and the remaining will be connected soon. ₹ 19,000 Crores has been allocated to PMGSY in Budget 2019-20 as compared to ₹ 15,500 Crores in Budget 2018-19. However, only 24,610 km of rural roads were built as compared to a target of 58,000 km.

- **Airports:** The finance ministry allocated ₹ 4500 Crores for 2019-20 as compared to ₹ 9700 Crores last year. The Ministry of Aviation plans to revive Air India and support UDAN, the regional connectivity scheme. The third phase of this scheme which was launched recently also proposes to start flights to international destinations from regional hubs. There are 100 operational airports in India and the domestic air passenger traffic has doubled. Pakyong Airport in Sikkim was the 100th airport to be commissioned.
- **Ports & Water Ways:** As part of Sagarmala Programme, more than 400 projects have been identified for implementation, during 2015-2035, across the areas of port modernisation

and new port development, port connectivity enhancement, port-linked industrialisation and coastal community development. Out of these, 199 focus projects are phased out up to 2019. Centre has proposed to allocate a total budgetary support of ₹ 550 Crores towards Sagarmala for 2019-20. This is up by 44% against last year's budgetary support of ₹ 381.08 Crores.

- **Railway:** Budget 2018-19 had set a capital expenditure for the Ministry of Railways at ₹ 1.58 lakh Crores, which is highest ever. The budget has allocated ₹ 7,255 Crores for construction of new lines, ₹ 2,200 Crores for gauge conversion, ₹ 700 Crores for doubling of tracks, ₹ 6,114.82 Crores for rolling stock and ₹ 1,750 Crores for signalling and telecom.

Urban Infrastructure

Nearly 30% of India's population today live in Urban agglomerations. The fast-paced urbanisation in the country, which is closely associated with the overall economic progress, has led the cities to encounter some grave challenges on the socio-economic front such as unemployment as well as excess load on



AIIMS Rishikesh, Uttarakhand

existing infrastructure in cities like housing, sanitation, transportation, health, education, utilities etc. In order to upgrade the quality of life of people, especially the urban poor, the Ministry of Housing and Urban Development has been actively introducing new schemes and reinventing the existing schemes which deal with these specific issues.

Progress of Existing Schemes:

- Smart Cities Mission:** Smart Cities Mission is a flagship scheme under the Ministry of Housing and Urban Affairs. The mission involves as many as 3,183 projects worth ₹ 1,45,245 Crores. Work has been finished only in projects worth ₹ 4,960 Crores, amounting to only 5% of total projects. The target of completion of the projects was extended from 2019-20 to 2022-23 for execution of projects in cities selected in round four. Funds worth ₹ 500 Crores will be released for the top 15 cities as per data released by Ministry of Urban Development.
- Pradhan Mantri Awas Yojana (Urban) - Housing For All:** This initiative aimed at providing 20 Million affordable homes for the urban poor including slum dwellers by March 2022. As per recent data by the union ministry, 51 Lakhs houses against the required 1 Crores are approved in last 3 years of implementation, over 28 Lakhs houses are in various stages of construction and 8 Lakhs houses have been completed with 100% occupancy by the beneficiaries.
- Swachh Bharat Mission -** The Swachh Bharat Mission is the government's nationwide flagship programme with the objective of universal sanitation coverage in urban areas with a budget allocation of ₹ 41,765 Crores for 2018-19. As per the recent data, 52 Lakhs individual household toilets and 3.2 Lakhs public toilets have already been built. The Housing and Urban Affairs Minister, recently announced that the government will meet the target of building 72 Lakhs toilets one year ahead of its scheduled time.
- AMRUT (Atal Mission for Rejuvenation and Urban Transformation):** The emphasis of the AMRUT scheme was on infrastructure creation

that has a direct link to provision of better services to the citizens. The allocated budget under the scheme was around ₹ 50,000 Crores for the period 2016 - 2021. As per the recent updates, work on the projects is underway across 20 cities and towns.

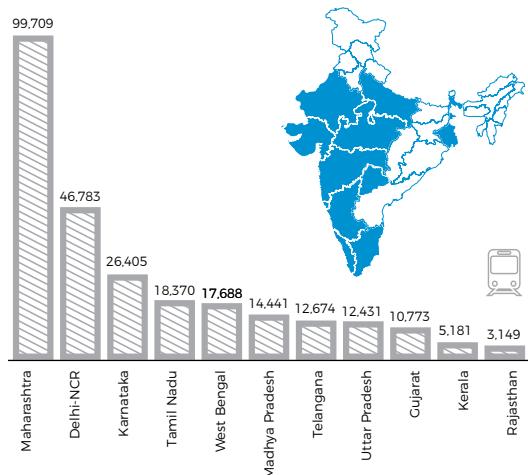
- Metro Rail:** Government of India has taken various steps for standardization and growth of metro rail in India. The Metro Rail Policy 2017 of Govt. of India enables rapid and sustainable growth of metro rail in the country. Out of the 585 km of operational metro lines as on 10 February 2019, 326 km have been made operational after May 2014. Currently there is about 600 km of sanctioned metro lines under construction which will be operational in next five years.

There are about 1000 km of metro line proposals under planning.

Metro footprint in India

According to the new Metro rail policy, the central government will approve and aid Metro rail projects only if they have private participation. Table shows costs of the under-construction Metro rail projects in India.

(in ₹ Crores)



Source: Ministry of housing and urban affairs response to a Rajya Sabha query in December 2018

Roads & Highways

With the government's increased focus on expanding the road network, the road sector has become one of the top contributors to the construction industry. Mega projects such as Bharatmala, Setu Bharatam and Char Dham connectivity will be the biggest investment drivers in the sector. Phase I of the Bharatmala Pariyojana alone offers an investment opportunity of ₹ 5.35 trillion. Assuming a construction intensity of around 60%, the sector offers construction opportunities of about ₹ 3.21 trillion.

Further, although the launch of new innovative implementation models, such as the hybrid annuity model (HAM) and the toll-operate-transfer (TOT) model have attracted substantial interest from industry players, the engineering, procurement and construction (EPC) model is likely to remain the dominant mode in the near to medium term. The Ministry of Road Transport and Highways (MoRTH) has set a construction target of about 12,000 km and an award target of around 20,000 km for 2018-19. Meanwhile, major policy initiatives, such as a bonus of 10% of the project cost to the contractor upon completing highway projects before the deadline, single-window clearance facility to accord speedy approvals etc., are likely to attract players into the sector.

In addition, the government is planning to develop nearly 2,00,000 km of national highways by 2022. It has plans to invest around ₹ 1.45 trillion in road infrastructure in the north east region between 2018 and 2020. As per India Infrastructure Research, a pipeline of around 352 projects at the state level spanning a length of over 19,160 km at an estimated cost of over ₹ 2 trillion presents vast opportunities for construction players. Based on these estimates and the strong pipeline, opportunities worth over ₹ 1.2 trillion are expected to be available for the construction segment.

(Source: www.indianinfrastructure.com)

Water & Irrigation

The Water and Irrigation infrastructure has undergone massive improvement over the years. In the water and sanitation sector, an investment of over ₹ 320.55 billion is expected in the 118 upcoming projects (as of August 2018). With a construction component of 62.5%, the sector offers a construction opportunity of around ₹ 208.36 billion. Further, the central government has launched a number of programmes/

schemes for augmenting sewage treatment and garbage collection infrastructure in the country. These include the Smart Cities Mission, the Atal Mission for Rejuvenation and Urban Transformation, the Namami Gange Mission, the Swachh Bharat Mission and the National Rural Drinking Water Programme.

Overall, the sector has a positive outlook and offers huge opportunities, both in the medium and long term. Expansion and uptake of various water supply and sanitation projects will offer multiple business opportunities across different segments and continuous efforts for rapid growth in the sector will result in elimination of major impediments. With various flagship government schemes such as the Pradhan Mantri Krishi Sinchai Yojana, the policy thrust is likely to enable continued growth of the irrigation sector as well.

3. Manufacturing, Industrial & Power

India's manufacturing sector has observed robust growth over the past few years. During April-September 2018, GVA from manufacturing at current prices grew 14.8% YOY to ₹ 1,38.99 trillion (US\$198.05 billion). The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. Under the Make in India initiative, the Government of India aims to increase the contribution of the manufacturing sector to the gross domestic product (GDP) to 25% by 2022, from 16% and to create 100 Million new jobs by 2022.

Challenges faced by the Indian Construction Sector

The key challenges faced by the construction industry in India can be summed up as under:

- **Increased Material Costs:** Over the past few years, increase in material costs have led to increase in labour cost and unavailability of concrete products such as aggregates and cement. Material costs have risen by 10-12% over the past year and future costs are likely to rise even more.
- **Lack of Skilled Workforce:** At the end of 2018, there were roughly 2,90,000 open construction industry jobs, reflecting the dearth of qualified workers in the industry. Due to smaller and less qualified workforce, projects are coming in over budget because of change orders resulting from failure to properly assess and perform the project.

This also results in increased labour cost and delay in completion of projects.

- **Technology Adoption:** Technology has been a major differentiator in the Indian construction industry. Technologically efficient builders are attracting collaborations in the higher end and businesses that follow traditional means are lagging behind. Elements like Virtual Reality, Artificial Intelligence (AI) and Building Information Modelling (BIM) are transforming the market trends today both in commercial and housing sector. It is essential for the competitors to get technologically efficient to avoid certain technological challenges.
- **Project Complexity:** Modern construction projects becoming advanced, both in terms of design and functionality. Availability of skilled labour and latest technology further adds to the challenge.
- **Natural Hazards:** Being a tropical nation, India is prone to natural disasters, especially floods. Big cities like Mumbai and Chennai have witnessed natural calamities in the past years and this has become a huge constraint for the Indian construction industry.

Company Overview

JMC Projects is a renowned construction Company and is engaged in construction of residential complexes and townships, hospitals, hotels and commercial complexes. JMC also focuses on construction of landmark edifices such as highways, bridges, flyovers, hospitals, industrial units, power plants etc. across the country.

With a strength of 3,781 employees JMC carries out operations not only in India but also in Africa and SAARC countries. It is certified under ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environment Management) and BS OHSAS 18001:2007 (Occupational Health & Safety).

Results of Operations

Operational Highlights and Achievements

During the year under review, the Company has received new contracts of approximately ₹ 5,629 Crores. As of March 31, 2019, the aggregate value of orders on hand

stands at ₹ 9,962 Crores. The details of some of the major/prestigious contracts received during the year are as follows:

- Construction of township for NMDC in Dhanpunji, Jagdalpur, Bastar Dist., Chhattisgarh.
- Execution of Pipe water supply project for Rural Water Supply & Sanitation in Koraput Dist., Odisha.
- Execution of Narmada- Jhabua-Petalwad - Thandala - Sardarpur Micro Irrigation Scheme on turnkey basis for Narmada Valley Development Authority, Madhya Pradesh.
- Four laning of Madurai-Chettikulam Section of NH 785 for NHAI in Tamilnadu.
- Construction of Flyover in Sakoli town on NH53 for NHAI in Maharashtra.
- Construction of Flyover in Lakhani town on NH53 for NHAI in Maharashtra.
- Execution of Nagalwadi Micro Irrigation Scheme on turnkey basis for Narmada Valley Development Authority, Madhya Pradesh.
- Civil works for VIT University in Amravati, Andhra Pradesh.
- Civil works for TSL plant for TATA Steel at Kalinganagar, Odisha.
- Piped Water Supply & O&M for 337 villages of Bolagarh and Begunla Block of Khordal Dist. & 9 GPs of Sadar block in Dhenkanal Dist. of Odisha for Rural Water Supply & Sanitation, Odisha.
- Contract for Design & Build MTB5 Building Ascendas ITPB SEZ for Information Technology Park Ltd. at Bengaluru, Karnataka.
- Construction of commercial development Zentech Business Park for Purvankara at Bengaluru, Karnataka.
- Construction of Residential Buildings of Nalanda University campus for Nalanda University in Nalanda Dist., Bihar.
- Construction of mixed use Residential development Brigade Cornerstone Utopia at Varthur Hobli, Bengaluru, Karnataka.

Revenues

The income from Operations for the Company has increased by 18% to ₹ 3,252.86 Crores in 2018-19 from ₹ 2,755.64 Crores in 2017-18.

Other Income

Other Income increased to ₹ 24.79 Crores for 2018-19 from ₹ 17.62 Crores for 2017-18.

Operating Margin

EBIDTA (including other income) for 2018-19 was ₹ 361.71 Crores as compared to ₹ 302.39 Crores for 2017-18. In terms of percentage, EBIDTA remains stable at 11% for 2018 -19 and for 2017-18.

The operating margins remained constant even after increase in prices of major materials and labour rate due to better margins in new jobs, process improvements and operating efficiencies.

Costs & Expenses

Employee Costs

Manpower cost for 2018-19 was ₹ 302.55 Crores increased from ₹ 266.39 Crores. In terms of percentage of Turnover, it decreased to 9.3% as compared to 9.7% in the previous year. The decrease is mainly due to increase in turnover for current year.

Other Expenses

Other Expenses as a percentage of turnover has decreased to 3.3% in 2018-19 as compared to 5.5% in 2017-18. Other expenses have decreased mainly because of reduction in rates and taxes and ECL provision.

Other Expenses mainly include general and administrative expenses such as travelling and conveyance, communications, security, insurance, information technology expenses, sundry expenses, rates and taxes, professional and legal charges etc.

Interest Expenses

Interest expenses for the year 2018-19 increased to ₹ 95.06 Crores from ₹ 85.78 Crores in 2017-18. In terms of percentage of Turnover it has decreased to 2.9% for 2018-19 from 3.1% for 2017-18.

Depreciation

Depreciation cost as a percentage of turnover has marginally decreased to 2.4% in 2018-19 to 2.6% in 2017-18.

Taxes on Income and Deferred Tax Provision

The Company's Deferred Tax Asset (net) has increased from ₹ 35.17 Crores in 2017-18 to ₹ 36.26 Crores in 2018-19. The Company has made current Tax provision of ₹ 46.91 Crores and deferred Tax provision of ₹ (0.52) Crores. Hence total Tax expenses works out to ₹ 46.39 Crores.

Financial Status

Ratio	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Debtors Turnover (No. of Days)	96	96	92	93
Inventory Turnover (No. of Days)	25	25	24	24
Interest Coverage Ratio	3.80	3.53	1.98	1.67
Current Ratio	1.27	1.27	1.21	1.21
Debt Equity Ratio	0.83	0.93	2.94	3.37
Operating Profit Margin (%)	11.12	10.97	13.40	12.97
Net Profit Margin (%)	4.53	3.82	2.40	0.90

Further, the Return on Net worth ratio (Standalone) during 2018-19 was 22% as compared to 19.6% during 2017-18 which improved by 2 bps on account of higher profitability. Further the Return on Net worth ratio (Consolidated) during 19 was 21.5% as compared to 10.3% during 2017-18 which improved by 11.2 bps on account of higher profitability both in EPC business as well as in Developmental projects.

Net Worth

The net worth of the Company has increased from ₹788.99 Crores as on March 31, 2018 to ₹923.27 Crores as on March 31, 2019. The increase in amount of net worth is on account of internal accruals.

Borrowings

The total standalone borrowing has increased from ₹736.6 Crores as on March 31, 2018 to ₹765.6 Crores as on March 31, 2019. The Debt-Equity Ratio is at 0.83 as on March 31, 2019, which was 0.93 as on March 31, 2018. The Company maintains healthy A1+ and A+ credit rating respectively for its short term and long term borrowings from CARE.

Cash and Bank Balance.

Cash and Bank balance decreased from ₹145.89 Crores as of March 2018 to ₹76.92 Crores as of March 2019.

Investments

Total Investment of the Company remains stable to ₹416.38 Crores as on March 31, 2018 and as on March 31, 2019.

Risk Mitigation Strategies

Key Risk and Description	Potential Impact	Mitigation measures	Stakeholder affected
Cross-border transactions: Exchange rate risk and local market conditions.	<ul style="list-style-type: none"> Strengthening of foreign currencies could result in reduced returns. Increased cost of borrowing and hedging. 	<ul style="list-style-type: none"> Yield guarantees and price adjustments. Interest rate swaps and hedging. Financing transactions in foreign currencies at lower interest rates. 	<ul style="list-style-type: none"> Shareholders
Capital and interest rate risk: Rising cost of capital and liquidity.	<ul style="list-style-type: none"> Deteriorating strength of acquisition currency. Inability to act on opportunities. Decline in property valuation. 	<ul style="list-style-type: none"> Maintaining relationships and communication with investors and lenders. Debt funding policy and framework. Diversified equity and debt funding structures. 	<ul style="list-style-type: none"> Shareholders
Execution of Investment Strategy: Increased complexity of the Group's business.	<ul style="list-style-type: none"> Non-alignment of strategy execution. Poor risk management and decision-making. Gaps in processes and procedures. Inaccurate financial reporting. Loss of focus. 	<ul style="list-style-type: none"> Governance structures and authority limits. Regular Management meetings. Internal audits. Developing an integrated IT platform and business intelligence tool. 	<ul style="list-style-type: none"> Shareholders Employee

Capital Expenditure

During 2018-19, the Company has capitalized additional fixed assets of ₹150.44 Crores. Major funding of the capital expenditure was made from the proceeds of term loan taken from Banks /financial institutions and from internal accruals.

Current Assets & Liabilities

The Company's current assets primarily consist of debtors, inventories, cash and bank balances and loans and advances. Total current assets as on March 31, 2019 were ₹2,930.17 Crores as against ₹2,479.28 Crores as on March 31, 2018.

The Company's current liabilities primarily consist of short term borrowings, trade payables, short term provisions and other current liabilities. Total current liabilities as on March 31, 2019 was ₹2,049.88 Crores as against ₹1,726.52 Crores as on March 31, 2018.

Current Ratio

The current ratio has remained constant at 1.43 as at March 31, 2019 and as on March 31, 2018.

Key Risk and Description	Potential Impact	Mitigation measures	Stakeholder affected
Property market conditions: Dependency on electricity and municipal services.	<ul style="list-style-type: none"> Disruption of service and supply resulting in weakening of property performance. Increase in operating expenses. Increased capital expenditure for alternative energy supply and savings initiatives. 	<ul style="list-style-type: none"> Measuring energy consumption. Expense management and benchmarking. Energy-savings initiatives. Monitoring cost recovery ratios. 	<ul style="list-style-type: none"> Shareholders Service Providers Employees Customers
Human Resources: Loss of key personnel and skills shortage.	<ul style="list-style-type: none"> Reputational damage resulting in a negative impact on the share price. Negative impact on distributions. Loss of knowledge, capabilities and network contacts. Disruptions to operations. 	<ul style="list-style-type: none"> Remuneration policy. Long-term incentive scheme. Business and personal scorecards. Employee training such as SAP-Module Specific Training, High Impact Manager, Personal Effectiveness, SAKSHAM etc. Innovative employee retention strategy. 	<ul style="list-style-type: none"> Shareholders Employees
Technology and Information: IT systems failure.	<ul style="list-style-type: none"> Loss of information. Missed reporting deadlines. Unstable network. Cyber attacks. 	<ul style="list-style-type: none"> Cloud-based applications. Backups and disaster recovery. IT and media usage policy for staff. Developing an integrated IT platform and business intelligence tool. 	<ul style="list-style-type: none"> Shareholders Employees



Environment, Health and Safety Management System (EHS)

We consistently drive the safety values and encouraging employees to translate our EHS policy in to practice and motivate them to lead with safety ownership into all functions of construction with the aim to achieve the organizational goal of ZERO harm, integrate safety amongst actions of front-runners and line management to attain and maintain business excellence. We are committed to promote a safe working environment by incorporating Environment, Health and Safety into the daily operations, resulting in the prevention of injuries and illness of the employees, contractors and visitors, promotion of best practices as well as compliance with Corporate, State and local obligations governing our business.

We inculcate safety drive and delegation of safety ownership amongst line management, employees and contractors for prevention and mitigation of incidents with focused approach on the following areas during the last fiscal year:

Process Driven Approach

- Effective and Constant Daily Safety reporting from all sites.
- Integration of EHS in planning and designing stage - IFC checklist.
- Effective implementation of 3-Layered EHS audit systems.
- RED/YELLOW/GREEN flagging given for EHS performance grading under three layered EHS audits program apart from OHSAS/ EMS system based periodical audits.
- Substantial increase in near-miss reporting compared to past three years.
- EHS Dashboard to reflect and monitor EHS performance of each project closely at the site level.
- Robust incident investigation process through Six Sigma technique.
- Visible improvements on rectifying unsafe conditions in work equipment & vehicle safety continued with good pace to tackle the critical risk identified in plant and machinery.
- PONC tracker tool is used to analyse the loss of cost incurred as a part of safety in business excellence.

- Effective Safety walk through by Project Manager along with team leaders and site EHS committee on weekly basis.
- Every site has the provision of conceptually designed Safety Park for enhancing the EHS awareness and adopting safe work culture.

Robust EHS Review Mechanism

- Formation of EHS steering committees at corporate, business units (BU) and site levels for robust EHS review.
- Business units Project Performance Review (PPR) starts with EHS performance review.
- Fortnightly Teleconferencing/VC with BU EHS Head.
- Review of scaffold management across the project sites pan India.
- Rolled Out EHS Rapid Assessment to evaluate the EHS requirements of each Project site.

More Focus on Training

- Training and Certification for Scaffolding Inspector has been accomplished at I&P, NIO, WIO region by NSC and OHSAS approved agency.
- The journey towards positive and sustainable culture-Behavioural Based Safety and EHS workshop for EHS excellence towards culture transformation across the organization.
- Full-fledged implementation of EHS Passport for Job specific training.
- OHSAS and EMS Internal auditor training conducted for employees from execution, planning, quality and EHS department.

Effective Communication

- Site personnel are encouraged to report any incidents using safety toll-free number, instantly.
- Monthly EHS meeting with Business Unit EHS heads through on specific EHS agenda.
- Daily toolbox talk status through WhatsApp.
- Reporting of Incidents to RO/Corporate through Fast track incident communication/reporting and Investigation of incident by Why-Why Analysis which helps to drive actual root causes for incidents.



- Incident sharing and analysis of case study through safety alerts.
- Feedback on EHS from Clients/Customer to understand their expectations on safety.
- EHS online reporting system is under development.

Safety Walkthrough / Audit Mechanism

- Involvement of line management in audit process through three layer EHS audit.
- Inclusion of three layer audit as mandatory KPI in KRAs.
- Quantitative rating tool to measure EHS performance of each project.
- Periodic OHSAS EMS Audit and close tracking of conformance on NCRs.
- Executive from regional office or head office visiting site give their EHS feedback thru SCOUT report as a part of involving people in EHS.

With all the above EHS initiatives, accident prevention tools with rigorous safety drives, the Company bagged 3 International RoSPA Gold awards, 3 British Safety Council merit awards, 12 CIDC Vishwakarma awards, 12 Safety Awards from Ministry of labour and employment, 9 NSC awards, 1 Gold Trophy award from Pune construction engineering research foundation and various client appreciation for achieving safety milestones and splendid EHS performances in 2018-19.

Internal Controls and their adequacy

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly.

We have presence across multiple countries and a large number of employees, suppliers and other partners collaborate to provide solutions to our customer needs. Robust internal controls and scalable processes are imperative to manage the global scale of operations. Management has laid down internal financial controls to be followed by the Company. We have adopted policies and procedures for ensuring the orderly and efficient conduct of the business, including adherence to the 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 disclosures.

Your Company's Corporate Audit and Assurance Department issues well documented operating procedures and authorities with adequate built-in controls at the beginning of any activity and revised procedures, if there is any major change. The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. Corporate Audit & Assurance Department during the year, facilitated a review of your Company's risk management programme.

The risks and mitigation measures were reviewed by your Company's Risk Management Committee and corrective measures initiated. During the year, the Corporate Audit & Assurance Department carried out various reviews and provided assurance on compliances to lay down policies, processes and internal controls.

The Board has laid down Internal Financial Controls within the meaning of the explanation to section 134 (5) (e) ("IFC") of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and will evolve over time as the business, technology and possibly even fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There might therefore be gaps in the IFC as Business evolves. The Company has a process in place to continuously identify such gaps and implement newer and/or improved controls wherever the effect of such gaps might have a material effect on the Company's operations.

Human Resource Management

The HR Mantra for this year was digital transformation for people centricity. JMC has embarked on the journey of digitalization of HR service by launching of "Human Tree" (SAP Success Factor HR Services Platform). This is a big leap in achieving employee connect across all Business Unit and achieving openness & promptness in HR Processes.

Talent infusion and augmentation in the respective Business is a major focus area and was managed effectively in a highly competitive talent acquisition scenario. We have an able and visionary leadership team helping organization to propel on the sustainable growth journey.

JMC is thoughtful about its organization development and training initiatives and there has been relentless efforts on this front. Some of the key initiatives are as follows:

- Competency based trainings focused on building behavioural competency and functional capability. 10,000 + Man-days of training completed.
 - Empowering employees for anytime, anywhere learning by launching of "Learning Square" (E learning Platform).
 - Skill building of labours by involving trainers from PMKVY. Thereby providing skilled labour to project sites which in turn contributes to the quality of delivery.
 - Executive Shaper Program which focuses on personal productivity, driving positive change and achieving excellence.
 - Driving performance centric culture through robust performance management system called PRIDE.
 - To ensure right fit for right job, we have a scientific recruitment process involving psychometric assessment and multi-level competency based interviewing process.
 - To understand a pulse of overall culture prevailing in the organization we have undertaken a unique initiative called Culturometric a survey about JMC culture. This in turn will help us to assess the best culture fit for the organization.
- The focus of human resource function is not only to improve employee productivity, skill sets and knowledge but also to improve employee empowerment and welfare. All the process and policies of Human Resources function are tuned to support the overall business needs, people strategy and organization goals.

Information Technology

SAP HANA with CPM module implemented last year has given lot of visibility to the transactions and improved collaboration amongst the various departments. The Company this year, extended the SAP functionality by implementing BI Dashboards to visualize the presentation of data to senior management. The Company's auditors successfully completed IT general controls (ITGC) audit and found that our implemented controls at various levels are satisfactory.

The Company implemented SAP Success Factors human resource management system to help HR team efficiently acquire and manage the human capital. The modules gone live are Employee Connect and Performance Management System. HR achieved 100% rollout of Performance Management System for 2018-19. With this adoption HR is planning to rollout recruitment and training modules to integrate talent acquisition and talent development management processes to further improve the employee productivity.

The Company's data security efforts are in continuous review and appropriate and necessary actions are initiated proactively to further improve and to adopt new technologies, the Company is including BISO (Business Information Security Officer) in to the IT Team to dedicatedly monitor and protect the Company's digital assets from unwanted data threats.

As the industry is heading for 4.0 with lot of young and start-up organizations bringing in new technologies like Robotic Process Automation (RPA), Chatbots, IoT devices

to connect with various equipment at fields to gather data for further optimization and improve the utilization, LiDAR and Drones for aerial surveys to improve the land survey and construction monitoring of the linear projects, evaluations and Proof of Concept (PoC) of some of those technologies were completed and IT is engaging with business units to find opportunities for phased wise rollout.

The Company is planning to implement project life cycle monitoring systems to improve execution and collaboration between various stake holders, gather the data from source location using mobiles/smart phones to build the near live information system dashboards.

To improve the co-ordination of engineering process, introducing integrated Design/Estimate/Plan process using 3D/4D/5D tools to help the project teams to execute the projects without any hindrances with respect to drawings. Reviewing of drawings and providing comments using mobile devices at site using Jobsite view mobile apps further improve co-ordination between project execution team, purchase team and Engineering team.

One of the prime objective is to setup a command control centre at HO to remotely monitor the project visually and with key data parameters using project dashboards.

A bi-monthly review with all Business & Functional heads on IT system adoptions is the plan to further refine the system.

Cautionary Statement

Statements in Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include stiff competition leading to price-cuts, high volatility in prices of major inputs such as steel, cement, building materials, petroleum products, change in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.



Road Project In South India

Board's Report

Dear Members,

Your Directors are pleased to present their report and financial statements of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS

The standalone financial highlights and performance of the Company for the financial year ended March 31, 2019 is given herein below.

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Revenue	3,277.6	2,773.3
Profit before Depreciation, Interest & Tax	361.7	302.4
Less: Depreciation	78.1	71.7
Interest	95.1	85.8
Profit before Tax	188.5	144.9
Tax Expenses	46.4	38.8
Profit for the period	142.1	106.1
Other Comprehensive Income (net of Tax)		
Items that will not be reclassified subsequently to Profit or loss	(0.2)	(1.2)
Items that will be reclassified subsequently to Profit or Loss	5.4	0.4
Total Comprehensive Income for the period	147.3	105.3
Add: Surplus brought forward from previous year	352.5	256.1
Profit available for Appropriation	499.8	361.4
Appropriation:		
Dividend - Final-F.Y. 2017-18	10.1	5.1
Corporate Dividend Tax on Equity Dividend (including surcharge)	2.0	1.0
Items of other comprehensive income recognized directly in retained earnings	0.9	0.6
Transfer to Debenture Redemption Reserve	5.4	-
Transfer to General Reserve	2.2	2.2
Balance carried to Balance Sheet	479.2	352.5
TOTAL	499.8	361.4

OVERVIEW & STATE OF THE COMPANY'S AFFAIRS

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016 pursuant to the notification of the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs.

Standalone Highlights: During the year ended March 31, 2019, your Company has achieved total Revenue (i.e.

Revenue from Operations & Other income) of ₹ 3,277.6 crores as against ₹ 2,773.3 crores for the previous year ended March 31, 2018. Your Company has achieved Profit before tax of ₹ 188.5 crores for the current year as against ₹ 144.9 crores for the previous year (an increase of 30.1% over the previous year).

Consolidated Highlights: During the year ended March 31, 2019, your Company's consolidated Revenue stood at ₹ 3,433.6 crores as against ₹ 2,905.7 crores for the previous year ended March 31, 2018. Your Company has achieved Profit before tax of ₹ 115.4 crores for the current year as against ₹ 50.5 crores for the previous year on consolidated basis.

There has been no change in the nature of business of your Company during the year under review.

DIVIDEND

In view of the Company's improved performance during the financial year under consideration, your Directors are pleased to recommend a dividend of ₹ 0.70 (35%) per equity share of face value of ₹ 2/- each (previous year ₹ 3.00 per equity share of ₹ 10/- each) on 16,79,05,170 equity shares of the Company. The proposal is subject to the approval of members in the ensuing Annual General Meeting. If approved, the total outgo on account of the dividend on existing equity capital would be ₹ 11.75 crores (excluding corporate tax on dividend).

Unpaid / Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, an amount of ₹ 1,57,296/- of unpaid / unclaimed dividend were transferred during the year to the Investor Education and Protection Fund.

APPROPRIATIONS

During the year under review, your Company has transferred ₹ 2.2 crores to the General Reserve and other appropriations as mentioned in note no. 12 of the standalone financial statements.

SUB-DIVISION OF FACE VALUE OF EQUITY SHARES

During the year under review, your Company has sub-divided the face value of Equity Shares of the Company from ₹ 10/- each to ₹ 2/- each pursuant to the Special Resolution passed by the members of the Company by way of Postal Ballot on September 18, 2018. Consequential changes in the Memorandum of Association of your Company were carried out simultaneously. The record date for the sub-division of equity shares of the Company

was October 05, 2018. Pursuant to sub-division, new ISIN of the Company is INE890A01024.

SHARE CAPITAL

As on March 31, 2019, the paid-up equity share capital of the Company stands at ₹ 33,58,10,340/- comprising of 16,79,05,170 equity shares of ₹ 2/- each fully paid up. As on March 31, 2019, 99.80% of the total paid-up capital of the Company stands in the dematerialized form.

NON-CONVERTIBLE DEBENTURES & CREDIT RATING

During the year under review, your Company has issued and allotted 1,500 Nos. of 9.95% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (NCDs) of the face value of ₹ 10,00,000/- (Rupees Ten Lakh Only) each, for an aggregate nominal value of ₹ 150,00,00,000/- (Rupees One Hundred Fifty Crores Only) divided in Series I Debentures (300 nos.), Series II Debentures (450 nos.) and Series III Debentures (750 nos.) on private placement basis. The said NCDs are listed on Wholesale Debt Market Segment of BSE Limited.

CARE Ratings Limited has assigned the rating of 'CARE A+ (stable)' to the NCDs issued by the Company and the said rating denotes stable outlook of safety for timely servicing of debt obligation and carries low credit risk.

REVIEW OF BUSINESS OPERATIONS

During the year under review, your Company has received new contracts of approx. ₹ 5,600 crores. As on March 31, 2019, the aggregate value of orders on hand stands at around ₹ 10,000 crores.

The details of some of the major / prestigious contracts received during the financial year are as under.

- Construction of township for NMDC in Dhanpunji, Jagdalpur, Bastar Dist., Chhattisgarh
- Execution of Pipe water supply project for Rural Water Supply & Sanitation in Koraput Dist., Odisha
- Execution of Narmada- Jhabua-Petalwad - Thandala - Sardarpur Micro Irrigation Scheme on turnkey basis for Narmada Valley Development Authority, Madhya Pradesh

- d) Four laning of Madurai-Chettikulam Section of NH 785 for NHAI in Tamilnadu
- e) Construction of Flyover in Sakoli town on NH53 for NHAI in Maharashtra
- f) Construction of Flyover in Lakhani town on NH53 for NHAI in Maharashtra
- g) Execution of Nagalwadi Micro Irrigation Scheme on turnkey basis for Narmada Valley Development Authority, Madhya Pradesh
- h) Civil works for VIT University in Amravati, Andhra Pradesh
- i) Civil works for TSL plant for TATA Steel at Kalinganagar, Odisha
- j) Piped Water Supply & O&M for 337 villages of Bolagarh and Begunla Block of Khordal Dist. & 9 GPs of Sadar block in Dhenkanal Dist. of Odisha for Rural Water Supply & Sanitation, Odisha
- k) Contract for Design & Build MTB5 Building Ascendas ITPB SEZ for Information Technology Park Ltd. at Bengaluru, Karnataka
- l) Construction of commercial development Zentech Business Park for Purvankara at Bengaluru, Karnataka
- m) Construction of Residential Buildings of Nalanda University campus for Nalanda University in Nalanda Dist., Bihar
- n) Construction of mixed use Residential development Brigade Cornerstone Utopia at Varthur Hobli, Bengaluru, Karnataka

YEARS AHEAD AND PROSPECTS

Your Company has been able to built-up good order book in all segments and sectors in domestic market. Your Company continues to work towards strengthening domestic order book and improving the international order book going forward. The present order book and the opportunities in the Indian Infrastructure space as well as International market gives good visibility towards a sustainable and profitable growth going forward. Continuous thrust on using latest technologies, digital platform and better processes would ensure further improvement of margins going forward.

FINANCE

During the year, your Company has invested ₹ 41.0 crores as loan in Special Purpose Vehicles (SPVs) incorporated for its Road Projects, which was funded through internal accruals.

Total addition in the fixed assets was ₹ 150.43 crores during the year, which was funded through Rupee Term Loans and internal accruals. Your Company has sufficient fund based & non-fund based limits to cater to its existing fund requirements.

CONSOLIDATED IND AS FINANCIAL STATEMENTS

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and Section 129 of the Companies Act, 2013, the Consolidated Financial Statements which have been prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS) forms part of this Annual Report.

SUBSIDIARIES AND ASSOCIATE / JV COMPANY

A statement containing the salient features of the performance and financial position of the Subsidiaries, Associates / Jointly Controlled Entity as required under Rule 5 of the Companies (Accounts) Rules, 2014 is provided in Form AOC-1 marked as Annexure 1 and forms part of this report. The details of the Policy on determining Material Subsidiary of the Company is available on Company's website at https://www.jmcprojects.com/investor/corporate_governance

The Annual Report of the Company containing the standalone and consolidated Ind AS financial statements has been disseminated on the website of the Company at www.jmcprojects.com. Audited Annual Accounts of the Subsidiary Companies have also been placed on the said website and are available for inspection by the members at the Registered Office as well as Corporate Office of the Company. Members interested in obtaining copy of the Audited Annual Accounts of the Subsidiary Companies may write to the Company Secretary at the Company's Registered Office or Corporate Office address.

The performance and financial position of the Company's Subsidiaries and Jointly Controlled Entity are summarized herein below:

(₹ in Crores)

Name of the Company	% share	Total Income*	Profit / (Loss) for the year	Share of Profit / (Loss)
Brij Bhoomi Expressway Private Limited (CIN : U74900MH2010PTC261958)	100	31.70	(7.89)	(7.89)
Wainganga Expressway Private Limited (CIN : U45203MH2011PTC264642)	100	57.38	(33.99)	(33.99)
Vindhyachal Expressway Private Limited (CIN : U45203MH2012PTC271978)	100	66.93	(2.33)	(2.33)
JMC Mining and Quarries Limited (CIN : U45201GJ1996PLC028732)	100	-	-	-
Kurukshetra Expressway Private Limited (CIN : U45400HR2010PTC040303)	49.57	91.21	(41.35)	(20.50)

*Note: Total income includes Toll Revenue and other Revenue including Utility Shifting, Change of Scope, Interest income.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief, Directors of the Company make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed and there is no material departure from the same;
- they have 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;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts for the financial year ended March 31, 2019 on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

In compliance with the Regulation 34 read with Schedule V of the Listing Regulations, a detailed report on Corporate Governance is given as an Annexure and forms an integral part of this Annual Report. A Certificate from the Practicing Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated under the Listing Regulations is appended to the Corporate Governance Report. A Certificate of the CEO and CFO of the Company in terms of Regulation 17(8) of the Listing Regulations is also annexed.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, a separate section on Management Discussion and Analysis for the year ended March 31, 2019 forms an integral part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Manoj Tulsian is liable to retire by rotation at the ensuing Annual General Meeting (AGM). Mr. Manoj Tulsian, being

eligible offers himself for re-appointment. Your Directors recommend his re-appointment as Director of the Company. The brief resume of Mr. Manoj Tulsian and other relevant details are given in the accompanying Notice of AGM.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 08, 2019, subject to the approval of the members of the Company, re-appointed Mr. Manoj Tulsian as Whole-time Director designated as Whole-time Director & CFO of the Company, liable to retire by rotation for a period of 3 (three) years commencing from May 27, 2019 to May 26, 2022 (both days inclusive) on the terms and conditions as set out in the Agreement duly executed between the Company and Mr. Manoj Tulsian. Requisite proposal seeking your approval for his re-appointment and payment of remuneration forms part of the Notice convening the 33rd Annual General Meeting of the Company.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 08, 2019, subject to the approval of the members of the Company, re-appointed Mr. Shailendra Kumar Tripathi as CEO & Dy. Managing Director of the Company, liable to retire by rotation for a period of 3 (three) years commencing from October 22, 2019 to October 21, 2022 (both days inclusive) on the terms and conditions as set out in the Agreement duly executed between the Company and Mr. Shailendra Kumar Tripathi. Requisite proposal seeking your approval for his re-appointment and payment of remuneration forms part of the Notice convening the 33rd Annual General Meeting of the Company.

Pursuant to the provisions of the Companies Act, 2013, the members at the 28th AGM of your Company held on September 27, 2014 appointed Mr. D. R. Mehta as an Independent Director to hold office for 5 (five) consecutive years for a term up to September 26, 2019. Mr. D. R. Mehta is eligible for re-appointment as an Independent Director for a second term of up to 5 (five) consecutive years. Pursuant to the applicable statutory provisions and based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the members through a Special Resolution at the 33rd AGM of your Company, the re-appointment of Mr. D. R. Mehta as an Independent Director for a second term of 5 (five) consecutive years from September 27, 2019 to September 26, 2024.

Pursuant to the provisions of the Companies Act, 2013, the members at the 28th AGM of your Company held on September 27, 2014 appointed Mr. Shailendra Raj Mehta as an Independent Director to hold office for 5 (five)

consecutive years for a term up to September 26, 2019. Mr. Shailendra Raj Mehta is eligible for re-appointment as an Independent Director for a second term of up to 5 (five) consecutive years. Pursuant to the applicable statutory provisions and based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the members through a Special Resolution at the 33rd AGM of your Company, the re-appointment of Mr. Shailendra Raj Mehta as an Independent Director for a second term of 5 (five) consecutive years from September 27, 2019 to September 26, 2024.

Pursuant to the provisions of the Companies Act, 2013, the members at the 31st AGM of your Company held on August 10, 2017 appointed Ms. Anjali Seth as an Independent Director to hold office for 3 (three) consecutive years for a term up to May 16, 2020. Ms. Anjali Seth is eligible for re-appointment as an Independent Director for a second term of up to 5 (five) consecutive years. Pursuant to the applicable statutory provisions and based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the members through a Special Resolution at the 33rd AGM of your Company, the re-appointment of Ms. Anjali Seth as an Independent Director for a second term of 5 (five) consecutive years from May 17, 2020 to May 16, 2025.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

As on date, Mr. Shailendra Kumar Tripathi, CEO & Dy. Managing Director, Mr. Manoj Tulsian, Whole-time Director & CFO and Mr. Samir Raval, Company Secretary are the KMP of the Company. Details relating to remuneration of the Directors and KMP are mentioned in Annexure 5 of the Board's Report.

PERFORMANCE EVALUATION

Pursuant to the provisions of Section 134(3), Section 149(8) and Schedule IV of the Companies Act, 2013 read with Listing Regulations, Annual Performance Evaluation of the Board, the Directors as well as Committees of the Board has been carried out. The performance evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board, details of which are provided in the Corporate Governance Report. The properly defined and systematically structured questionnaire was prepared after having considered various aspects and benchmarks

of the Board's functioning, composition of the Board and its Committees, performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors in their separate meeting. The Board of Directors expressed their satisfaction with the evaluation process.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Familiarization Programme seeks to update the Independent Directors on various matters covering Company's strategy, business model, operations, organization structure, finance, risk management etc. It also seeks to update the Independent Directors with their roles, rights, responsibilities, duties under the Companies Act, 2013 and other statutes.

The policy and details of familiarization programme imparted to the Independent Directors of the Company is available at https://www.jmcprojects.com/investor/corporate_governance

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

MEETINGS OF THE BOARD

During the year, the Board met 4 (four) times, the details of which are provided in Corporate Governance Report.

COMMITTEES OF THE BOARD

The Board of Directors of your Company has constituted various Committees as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Share Transfer Committee
- Management Committee

The details with respect to the composition, powers, roles, terms of reference, number of meetings held, attendance

at the meetings etc. of Statutory Committees are given in detail in the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee of the Board has been constituted in terms of Listing Regulations and Section 177 of the Companies Act, 2013. The constitution and other relevant details of the Audit Committee are given in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

STATUTORY AUDITORS & AUDITORS' REPORT

Based on the recommendations of the Audit Committee and the Board, members of the Company at the 30th AGM held on August 11, 2016 have approved the appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of five consecutive years i.e. till the conclusion of 35th AGM. The requirement of ratification of appointment of Statutory Auditors at every AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 07, 2018. Thus, M/s. B S R & Co. LLP will continue to hold office till the conclusion of 35th AGM of the Company.

The Auditor's Report on Standalone and Consolidated Ind AS financial statements is a part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

During the year, the Statutory Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, M/s. D. M. Zaveri & Co. Practicing Company Secretaries (CP No. 4363) had been appointed to undertake the secretarial audit of the Company for the financial year ended on March 31, 2019. The Secretarial Audit Report is annexed herewith as Annexure 2, which forms an integral part of this report. The said report does not contain any qualification, reservation, adverse remark or disclaimer. During the year, the Secretarial Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company has appointed M/s.

Parikh & Associates, Practicing Company Secretaries (CP No. 1228) as the Secretarial Auditor of the Company for the financial year ending March 31, 2020. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder.

COST ACCOUNTS AND COST AUDIT

In terms of Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to appoint Cost Auditor for the audit of cost records of the Company. The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment of and remuneration payable to M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 000024) as the Cost Auditors of the Company to audit the cost records for the financial year ending March 31, 2020. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. As per the statutory requirement, the requisite resolution for ratification of remuneration of the Cost Auditors by the members of the Company has been set out in the Notice convening 33rd AGM of the Company.

During the year, the Cost Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Your Company has extended the support to the financial needs of Wholly Owned Subsidiaries, being the Special Purpose Vehicle formed for some of the road projects which would ultimately results in accruing benefits to the Company.

Details of loans, guarantees and investments as required under the provisions of Section 186 of the Companies Act, 2013 are given in the note no. 34 to the standalone financial statements.

STOCK OPTIONS

Your Company does not have any stock options scheme.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at https://www.jmcprojects.com/investor/corporate_governance. This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for giving the omnibus approval by the Audit Committee within the overall framework of the Policy on Related Party Transactions.

Omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length basis. Pursuant to Regulation 23 of the Listing Regulations, all related party transactions were placed before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions for their review and approval.

There were no material related party transactions entered into by the Company during the financial year under review. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable to your Company.

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the Listing Regulations are given in the Financial Statements.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has formed a Whistle Blower Policy for establishing a vigil mechanism for directors and employees to report genuine concerns regarding unethical behavior and mismanagement, if any. The said mechanism also provides for strict confidentiality, adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate cases. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy.

The said Whistle Blower Policy has been disseminated on the Company's website at https://www.jmcprojects.com/investor/corporate_governance

REMUNERATION POLICY

The Board of Directors has framed a Policy which lays down a framework in relation to remuneration of Directors, KMP and other employees of the Company. The salient features of this Policy is given in the Corporate Governance Report. On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on January 31, 2019 have amended the Remuneration Policy of the Company. The amended Policy have been made effective from April 01, 2019. The major amendment in the Policy is pertaining to the definition of Senior Management Personnel of the Company and variable pay component in the Cost to Company of the employees of the Company. The said Policy is available on the Company's website at https://www.jmcprojects.com/investor/corporate_governance

PARTICULARS OF EMPLOYEES

The statement of disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') is appended as Annexure 3 to this Report.

The information as per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Rules is provided in a separate annexure forming part of this Report. However, the Annual Report is being sent to the Members of the Company excluding the said annexure. In terms of Section 136 of the Companies Act, 2013, the said annexure is open for inspection at the Registered Office as well as Corporate Office of your Company. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted a CSR Committee, which comprises of Mr. D. R. Mehta, Chairman, Mr. S. K. Tripathi and Mr. Kamal Jain as its members. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and content of the same is placed on the Company's website at https://www.jmcprojects.com/investor/corporate_governance

Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been annexed to this Report as Annexure 4 which forms an integral part of this report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of the Company in Form MGT-9 is annexed as Annexure 5 and forms an integral part of this report. The Annual Return as referred in Section 134(3)(a) of the Companies Act, 2013 for the financial year ended March 31, 2019 shall be placed on the website of the Company at <https://www.jmcprojects.com/investor/financials>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company gives significant emphasis on improvement in methods and processes in its areas of Construction and Operations. Your Company focuses on Research & Development across various functions in the Organisation. The primary focus of research is to continually refine the frequently used systems at our project sites to derive optimization, reduction in breakdowns, improve effectiveness and efficiency of use. All the above leads to get a competitive edge for any project.

The information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 for the financial year ended March 31, 2019 with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo has been annexed to this Report as Annexure 6 which forms an integral part of this report.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any public deposits under Chapter V of the Companies Act, 2013.

RISK MANAGEMENT

Risk Management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach in addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the Company is exposed to are financial risks, commodity price risks, regulatory risks, human resource risks, strategic risks etc.

More details in respect to the risk management are given in Management Discussion and Analysis Report.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The management has established internal control systems commensurate with the size and complexity of the business. The internal control manual provides a structured approach to identify, rectify, monitor and report gaps in the internal control systems and processes. The Company follows well-documented Standard Operating Procedures (SOPs). The operating effectiveness of various controls is periodically tested and deficiencies, if any, are promptly rectified.

More details in respect to Internal Financial Controls and its adequacy are given in Management Discussion and Analysis Report.

HUMAN RESOURCE MANAGEMENT

HR AUTOMATION AND DIGITAL TRANSFORMATION:

The Human Resource function of your Company has embarked on the journey of digital transformation by launching of "Human Tree" (SAP Success Factor HR Services Platform). The modules for employee collaboration (People Konnect) and Performance Management are already made live in this year. Human Tree is the best in class employee life cycle management platform and this has enabled employees across all divisions to collaborate and connect with each other and ensured information availability on their fingertips.

BEST IN CLASS TALENT:

The talent acquisition has played a vital role in attracting best in class talent from industry for key positions and hiring bright students from well-known construction management institute and management colleges. Your Company has professionally qualified, technically skilled and highly trained manpower working at its Project Sites and Offices.

STRENGTHENING PEOPLE CAPABILITIES:

Your Company continues to strengthen its people capabilities to build a sustainable business. The Company has significantly improved its score on training man-days over past three years crossing 11,000+ man-days of trainings this year. There were numerous programs like cadre wise Behavioral trainings, Process Excellence Series, Customized functional trainings delivered across locations. Skill building and certification of labours

through skill India initiative provided skilled labour to project sites, which in turn contributed to the quality of Projects. The newly launched E-learning module has been added advantage and has enabled employees for anytime, anywhere, self-paced learning.

LEADERSHIP DEVELOPMENT AND BUILDING TALENT POOL:

There is a focused effort on leadership development through structured intervention like 360-degree feedback, Coaching, Action Learning Program and Executive Shaper Programs in your Company. The talent management process of the Company ensures continuous talent availability across functions and all regions.

BUILDING A SUPPORTIVE WORK ENVIRONMENT FOR EMPLOYEES:

To ensure employees take pride in their work and contribute willingly towards the organization mission and goals, your Company practices various employee engagement initiatives.

The below initiatives are well established within your Company.

Pravesh: For proper handholding and support of new hires

Shabash: Appreciation of exemplary performance

Prosper: Career Progression path for employees

Reassure: Redeployment of employee after project completion

Health at Work: Yoga Session, Health Check-up, Health advisory talks etc.

Labour Engagement: Activities for Labour at sites and their children. Karo Daan Yek Muskaan

Fun at Work: Birthday Celebration, Festival Celebration, Annual Celebrations, Sports, Motivational movies- Bioscope etc.

Converse: Your Company also continues to put special emphasis on Employee Communication through SAMVAD Meeting, Coffee with HR, Town Halls, Leadership interactions, Newsletters to ensure alignment of employees with the Company's Mission and Goals.

VALUES AND CODE OF CONDUCT:

Your Company has adopted six organization values viz. Business Ethics, Quality, Respect, Pride, Humility and Prudence, which guide the way you work and handle business.

The Code of Conduct of your Company promotes commitment to integrity and high ethical standards of professional and personal conduct by employees. It also ensures good Corporate Governance and transparent processes in managing the affairs of the Company.

Overall, your Company has best in class employee practices, policies and process to support the business growth.

QUALITY, HEALTH & SAFETY MANAGEMENT SYSTEM

Your Company has an established Integrated Management System comprising Quality Management Systems (QMS) conforming to ISO 9001:2015, Environmental Management System (EMS) conforming to ISO 14001:2015 and Occupational Health & Safety Assessment Series conforming to BS OHSAS 18001:2007 at all offices and projects. During the year under review, TUV-SUD Asia Pacific (TUV-SUD Group) has audited the Company's Management System and confirmed compliance to the requirement of the International Standards.

Your Company is adequately maintaining the system to ensure customer satisfaction in terms of quality and services, protection of Environment, safeguarding the occupational health, safety of all our employees and compliance to applicable legal and other non-regulatory requirements pertaining to environment, health and safety along with continual improvements to the system.

Your Company has been consistently adopting best construction practices, latest technology equipment and IT software with uncompromising quality, environment, health and safety standards which are recognized by our clients / associates and Govt. bodies through awards / accreditations in recent past i.e. National Safety Council Awards, CIDC Vishwa Karma Awards for Best construction project and EHS, Global HR Excellence Award in training and development and Innovative retention strategy, Gold Award from RoSPA (UK).

OTHER DISCLOSURES AND INFORMATION

a) Significant and Material Orders passed by the Authority

There are no significant or material orders passed by the Regulators or Courts or Tribunals which impacts the going concern status of the Company and its future operations.

b) Sexual Harassment of Women at workplace

Your Company has adopted a Policy under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint about sexual harassment during the year under review.

c) Material Changes and Commitments affecting financial position

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year under review and the date of this report.

APPRECIATION

Your Company has been able to perform better with the continuous improvement in all functions and areas which coupled with an efficient utilization of the Company's resources led to sustainable and profitable growth of the Organization. Your Directors express their deep sense of appreciation and extend their sincere thanks to every employee and associates for their dedicated and sustained contribution and they look forward the continuance of the same in future.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the continuous assistance, support and co-operation received from all the stakeholders viz. financial institutions, banks, governments, authorities, shareholders, clients, suppliers, customers and associates.

For and on behalf of the Board of Directors

Shailendra Kumar Tripathi
CEO & Dy. Managing Director

Place: Mumbai
Date: May 08, 2019

Manoj Tulsian
Whole-time Director & CFO

ANNEXURE 1**FORM AOC-1**

[Pursuant to Section 129(3) read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures**PART “A”: SUBSIDIARIES**

(₹ in Crores)

Sr. No.	Particulars	Name of the Subsidiary			
		Brij Bhoomi Expressway Pvt. Ltd.	Wainganga Expressway Pvt. Ltd.	Vindhyachal Expressway Pvt. Ltd.	JMC Mining and Quarries Ltd.
1	Date since when Subsidiary was formed / acquired	December 06, 2010	June 02, 2011	January 16, 2012	February 01, 1996
2	Reporting currency & exchange rate	INR	INR	INR	INR
3	Share capital	*42.49	*99.71	*174.66	0.50
4	Reserves & Surplus	(52.70)	(158.54)	(18.15)	(0.31)
5	Total Assets	205.72	676.38	783.92	0.91
6	Total Liabilities	215.93	735.21	627.41	0.72
7	Investments	-	-	-	-
8	Turnover - from Operations	31.55	56.24	66.57	-
9	Profit before taxation	(7.72)	(33.71)	(10.01)	-
10	Provision for taxation (Deferred Tax)	(0.17)	(0.28)	7.68	-
11	Profit after taxation	(7.89)	(33.99)	(2.33)	-
12	Proposed Dividend	-	-	-	-
13	% of shareholding	100%	100%	100%	100%

*Includes subordinate debt which is a part of sponsors equity from the Promoter of the Company.

- (1) There is no subsidiary which is yet to commence operations.
- (2) No subsidiary has been liquidated / sold during the year under review.
- (3) The reporting period of all the subsidiaries is March 31, 2019.

PART “B”: ASSOCIATES AND JOINT VENTURES

(₹ in Crores)

Sr. No.	Particulars	Name of Joint Venture Kurukshetra Expressway Pvt. Ltd.
1	Date since when Associate / Joint Venture was formed / acquired	March 29, 2010
2	Latest audited Balance Sheet Date	March 31, 2019
3	Shares of Joint Venture held by the Company on the year end in numbers	5,16,82,990
	Amount of Investment in Joint Venture	98.27
	Extent of Holding %	49.57%
4	Description of how there is significant influence	Share Ownership of 49.57%
5	Reason why the Joint Venture is not consolidated#	Not Applicable
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	(56.42)
7	Profit / (Loss) for the year	(41.34)
	i. Considered in Consolidation	(20.49)
	ii. Not Considered in Consolidation	(20.85)

Notes:

- (1) There is no Associate Company.
- (2) There is no Joint Venture which is yet to commence operations.
- (3) No Joint Venture has been liquidated / sold during the year under review.
- (4) #Joint Venture entities Aggrawal - JMC JV, JMC - Sadbhav JV, JMC - CHEC JV, JMC - Ramky JV and JMC Laxmi Wilo JV are not consolidated as the same are considered as exception for proportionate consolidation as per para 28 of AS-27 "Financial Reporting of Interest in Joint Ventures" as explained in detail in Note no. 24 to the Consolidated Ind AS Financial Statement.

For and on behalf of the Board of Directors

Shailendra Kumar Tripathi
CEO & Dy. Managing Director

Manoj Tulsian
Whole-time Director & CFO

Place: Mumbai
Date: May 08, 2019

Samir Raval
Company Secretary

ANNEXURE 2

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial year ended 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JMC Projects (India) Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JMC Projects (India) Limited** (hereinafter called '**the Company**'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2019, 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:

I have examined the books, papers, minute books, forms and returns filed and other records 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) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('The SEBI'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (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;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not relevant / applicable, since there is no delisting of equity shares during the year);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not relevant / applicable, since there is no buyback of equity shares during the year);
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (vi) The following laws are specifically applicable to the Company in addition to laws mentioned above:
- (a) The Building and other construction workers (Regulation of Employment and Conditions of Service) Act, 1996;
 - (b) Maharashtra Building and Other Construction workers (Regulation of Employment and Conditions of Service) Rules, 2007; and
 - (c) The Building and other Construction Workers' Welfare Cess Act, 1996.

I have also examined compliance with the applicable clauses to the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited, in respect to Equity Shares of the Company and Listing Agreement executed with the BSE Limited on the Whole Sale Debt Market, in respect to Non-Convertible Debt Securities of the Company in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non - Executive and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all the directors to schedule the Board Meeting, 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

I further report that during the period under review;

- (a) The Company had dispatched Postal Ballot notice dated August 06, 2018, for the following purposes:
 - 1. Sub-division of face value of Equity Shares of the Company from ₹ 10/- each to ₹ 2/- each (Special Resolution). Pursuant to the sub-division of face value of Equity Shares of the Company from ₹ 10/- each to ₹ 2/- each, the ISIN of the Company is changed to INE890A01024.
 - 2. Alteration of Capital Clause of the Memorandum of Association of the Company (Ordinary Resolution).
- (b) The Management Committee of the Company in their meeting held on August 28, 2018, has allotted to ICICI Prudential Credit Risk Fund in dematerialized form 1500 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 10,00,000/- each, aggregating to ₹ 1,50,00,00,000/-.
- (c) The Company has obtained notice of Listing and Trading approval dated September 3, 2018 from the BSE Limited for the purpose of Listing and Trading of Non-Convertible Debentures with effect from September 4, 2018.

For D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
 (Proprietor)
 FCS. No.: 5418
 CP No.: 4363

Place: Mumbai
 Date: 20th April, 2019

ANNEXURE 3**Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- Median Remuneration of Employees during the financial year 2018-19: ₹ 4.56 lakh p.a.
- The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:
- The percentage increase in the median remuneration of employees in the financial year 2018-19: 11.76
- The number of permanent employees on the rolls of the Company as on March 31, 2019: 3,781

Name of Director	Ratio
Mr. S. K. Tripathi	77.92
Mr. Manoj Tulsian	62.65
Mr. D. R. Mehta	8.00
Mr. S. R. Mehta	7.35
Mr. Hemant Modi	7.02
Ms. Anjali Seth	3.07

No sitting fees or remuneration paid to Mr. Manish Mohnot and Mr. Kamal Jain (Promoter Directors).

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2018-19.

Name of Director, CEO, CFO & CS	% increase
Mr. S. K. Tripathi, CEO & Dy. Managing Director	22.18
Mr. Manoj Tulsian, Whole-time Director & CFO	19.53
Mr. D. R. Mehta, Independent Director	24.79
Mr. S. R. Mehta, Independent Director	41.05
Mr. Hemant Modi, Non-Executive Director	42.22
Ms. Anjali Seth, Independent Director	24.44
Mr. Samir Raval, Company Secretary	14.74

- Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average increase in salaries of employees during the financial year 2018-19 was around 10.04%, whereas average increase in salaries of managerial remuneration was 20.99%. Increments in remuneration of employees are as per the appraisal / Remuneration Policy of the Company.

- It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Shailendra Kumar Tripathi
CEO & Dy. Managing Director

Place: Mumbai
Date: May 08, 2019

Manoj Tulsian
Whole-time Director & CFO

ANNEXURE 4

Annual Report on Corporate Social Responsibility (CSR) Activities

Companies (Corporate Social Responsibility Policy) Rules, 2014

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 programs:

JMC Projects (India) Limited ('JMC') undertakes appropriate Corporate Social Responsibility measures having positive economic, social and environmental impact on the community including on the local areas around where it operates. JMC being a dominant player in the construction sector believes in giving back to the society and to honour social responsibility. The Board of the Company has framed a CSR Policy in consonance with Section 135 of the Companies Act, 2013. The broad content of the CSR Policy, inter alia, includes CSR Philosophy, objectives, extent of CSR activities, CSR projects, programmes, implementation of CSR programmes, monitoring, reporting and disclosure of the said activities. The CSR Policy of the Company is available on the Company's website at https://www.jmcprojects.com/investor/corporate_governance

In line with CSR Policy and in accordance with Schedule VII to the Companies Act, 2013, the Company has undertaken CSR activities for promoting Social Welfare (Education), Health Care and promotion of Art & Culture.

2. The Composition of the CSR Committee:

The Board of Directors of the Company has constituted the CSR Committee of Directors consisting of Mr. D. R. Mehta, Chairman, Mr. Shailendra Kumar Tripathi and Mr. Kamal Jain as its members.

3. Average net profit of the Company for last three financial years: ₹ 4,576.75 lakh (Calculated as per CSR Rules).

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 91.53 lakh.

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹ 91.53 lakh.

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below.

(Amount in ₹)

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency
1	Affixing paver block in the School Building compound	Promoting Social Welfare (Education)	Padmabhushan Vasantdada Patil Madhyamik Vidyalay, Nehru Nagar, Pimpri, Pune, Maharashtra	1,73, 666	1,73, 666	1,73, 666	Direct
2	Construction of performing stage with two dress rooms in the Government School	Promoting Social Welfare (Education)	Doddakallasandra, Near Falcon City Project, Kanakpura Road, Bengaluru, Karnataka	18,64,040	18,64,040	18,64,040	Direct

(Amount in ₹)

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency
3	Construction of Compound wall at Government First Grade College	Promoting Social Welfare (Education)	Varthur, Bengaluru, Karnataka	16,08,569	16,08,569	16,08,569	Direct
4	Contribution for elimination of Cervical Cancer through HR-HPV Vaccination	Promoting Health Care	Various Municipal Public Schools in the State of Maharashtra	5,00,000	5,00,000	5,00,000	Through Cancer Patients Aid Association, Mumbai
5	Contribution for welfare of pregnant women who visits Adharshila Family Health Centre 28-30 times during their pregnancy	Promoting Health Care	Family Health Centre, I - 75 A Harkesh Nagar, Okhla Phase - III, New Delhi	11,00,000	11,00,000	11,00,000	Through Adharshila Trust, New Delhi
6	Contribution for the promotion and preservation of Art and Culture in the area of music	Promoting Art & Culture	MLR Convention Centre, Brigade Millennium, J. P. Nagar, Bengaluru, Karnataka	45,00,000	45,00,000	45,00,000	Through IME Trust, Bengaluru
Total (₹)				97,46,275	97,46,275	97,46,275	

6. In case the Company has failed to spend the two per cent 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: N.A.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

The CSR Committee confirms that the implementation and monitoring of CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

For and on behalf of the CSR Committee

D. R. Mehta

Chairman of CSR Committee

Place: Mumbai

Date: May 08, 2019

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

ANNEXURE 5

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN As on the financial year ended on March 31, 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

i)	CIN	L45200GJ1986PLC008717
ii)	Registration Date	June 05, 1986
iii)	Name of the Company	JMC Projects (India) Limited
iv)	Category/Sub-category of the Company	Company limited by shares / Non-Government Company
v)	Address of the Registered Office and contact details	A-104, Shapath 4, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015, Telephone: +91-79-30011500, Fax: +91-79-30011700, E-mail ID: cs@jmcprojects.com , Website: www.jmcprojects.com
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited Office No. 506 to 508, 5 th Floor, Amarnath Business Center - 1(ABC-1), Near St. Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad - 380009, Tel & Fax: +91-79-26465179, E-mail ID: ahmedabad@linkintime.co.in , Website: www.linkintime.co.in

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)

Sl. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Construction of buildings & others	4100	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Kalpataru Power Transmission Limited Plot No. 101, Part-III, G.I.D.C Estate, Sector-28, Gandhinagar - 382028	L40100GJ1981PLC004281	Holding	67.19	2(46)
2	JMC Mining and Quarries Limited A-104, Shapath 4, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015	U45201GJ1996PLC028732	Subsidiary	100	2(87)

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3	Brij Bhoomi Expressway Private Limited 6 th Floor, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (East), Mumbai - 400055	U74900MH2010PTC261958	Subsidiary	100	2(87)
4	Wainganga Expressway Private Limited 6 th Floor, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (East), Mumbai - 400055	U45203MH2011PTC264642	Subsidiary	100	2(87)
5	Vindhyachal Expressway Private Limited 6 th Floor, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (East), Mumbai - 400055	U45203MH2012PTC271978	Subsidiary	100	2(87)
6	Kurukshetra Expressway Private Limited Toll plaza Gangaicha Jaat, NH-71, Village - Gangaicha Jaat, Mastapur Post Office, Rewari, Haryana -123401	U45400HR2010PTC040303	Associate	49.57	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise shareholding

Category of Shareholders	No. of shares of ₹ 10/- each held at the beginning of the year (i.e. as on April 01, 2018)				No. of shares of ₹ 2/- each held at the end of the year (i.e. as on March 31, 2019)				% 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.	2,25,62,881	-	2,25,62,881	67.19	11,28,14,405	-	11,28,14,405	67.19	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(1)	2,25,62,881	-	2,25,62,881	67.19	11,28,14,405	-	11,28,14,405	67.19	0.00
2 Foreign									
a) NRIs/Individual	-	-	-	-	-	-	-	-	-
b) Other- Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(2)	-	-	-	-	-	-	-	-	-
Total of Promoter (A)=(A)(1)+(A)(2)	2,25,62,881	-	2,25,62,881	67.19	11,28,14,405	-	11,28,14,405	67.19	0.00
B.Public shareholding									
1 Institutions									
a) Mutual Funds	46,56,196	-	46,56,196	13.87	27,24,08,05	-	27,24,08,05	16.22	2.35
b) Banks / FI	31,350	-	31,350	0.09	35,642	-	35,642	0.02	(0.07)

Category of Shareholders	No. of shares of ₹ 10/- each held at the beginning of the year (i.e. as on April 01, 2018)				No. of shares of ₹ 2/- each held at the end of the year (i.e. as on March 31, 2019)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Cap. Fund	-	-	-	-	-	-	-	-	-
f) Insurance Cos.	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investor	2,93,797	-	2,93,797	0.87	18,12,330	-	18,12,330	1.08	0.21
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any other Alternate Investment Fund	45,517	-	45,517	0.14	-	-	-	-	(0.14)
Sub-total (B)(1)	50,26,860	-	50,26,860	14.97	2,90,88,777	-	2,90,88,777	17.32	2.35
Non-Institutions									
a) Bodies Corp.									
i) Indian	9,63,780	2,551	9,66,331	2.88	35,93,229	11,755	36,04,984	2.15	(0.73)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual shareholders holding nominal share capital:									
i) up to ₹ 1 lakh	27,21,101	89,440	28,10,541	8.37	1,16,53,943	3,19,805	1,19,73,748	7.13	(1.24)
ii) in excess of ₹ 1 lakh	12,40,226	-	12,40,226	3.69	59,44,195	-	59,44,195	3.54	(0.15)
c) Others (specify)									
IEPF	18,872	-	18,872	0.06	1,07,675	-	1,07,675	0.06	0.00
HUF	1,73,147	-	1,73,147	0.52	7,12,258	-	7,12,258	0.42	(0.10)
Non Resident Indians (Non Repat)	92,008	50	92,058	0.27	6,22,058	250	6,22,308	0.37	0.10
Non Resident Indians (Repat)	5,85,161	-	5,85,161	1.74	28,95,164	-	28,95,164	1.72	(0.02)
Clearing Members	1,04,957	-	1,04,957	0.31	1,36,406	-	1,36,406	0.08	(0.23)
NBFCs Registered with RBI	-	-	-	-	5,250	-	5,250	0.00	0.00
Sub-total (B)(2)	58,99,252	92,041	59,91,293	17.84	2,56,70,178	3,31,810	2,60,01,988	15.49	(2.35)
Total Public Holding (B)=(B)(1)+(B)(2)	1,09,26,112	92,041	1,10,18,153	32.81	5,47,58,955	3,31,810	5,50,90,765	32.81	0.00
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,34,88,993	92,041	3,35,81,034	100	16,75,73,360	3,31,810	16,79,05,170	100	0.00

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (i.e. as on April 01, 2018)			Shareholding at the end of the year (i.e. as on March 31, 2019)			% change in shareholding during the year
		No. of Shares of ₹ 10/- each	% of total Shares of the Company	% of Shares pledged/encumbered to total shares	No. of Shares of ₹ 2/- each	% of total Shares of the Company	% of Shares pledged/encumbered to total shares	
1	Kalpataru Power Transmission Limited	2,25,62,881	67.19	-	11,28,14,405*	67.19	-	-

*Change in number of shares is due to sub-division of the face value of equity shares from ₹ 10/- each to ₹ 2/- each.

iii) Change in Promoters' Shareholding

Sr. No	Particulars	No. of shares	% of total shares of the Company	Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company
1	At the beginning of the year i.e. as on April 01, 2018	2,25,62,881	67.19	2,25,62,881	67.19
	Date wise increase / decrease in Promoter's shareholding during the year	There is no change in promoter's shareholding during the year.			
	At the end of the year i.e. as on March 31, 2019	11,28,14,405*	67.19	11,28,14,405*	67.19

*Change in number of shares is due to sub-division of the face value of equity shares from ₹ 10/- each to ₹ 2/- each.

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

Sr. No.	Name of shareholder	Shareholding at the beginning of the year (i.e. as on April 01, 2018)		Date wise increase/decrease in shareholding during the year with reason (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of shares	Reason	Cumulative shareholding during the year	
		No. of Shares of ₹ 10/- each	% of total shares of the Company				No. of Shares of ₹ 2/- each	% of total shares of the Company
1	HDFC Trustee Company Ltd. A/C HDFC Balanced Advantage Fund	30,18,176	8.99	05.10.2018 31.03.2019	1,20,72,704 -	Addition* Closing	1,50,90,880 1,50,90,880	8.99 8.99
2	Kotak Small Cap Fund	9,73,527	2.90	13.04.2018	2,084	Transfer	9,75,611	2.91
				01.06.2018	(7,179)	Transfer	9,68,432	2.88
				08.06.2018	16,352	Transfer	9,84,784	2.93
				15.06.2018	15,000	Transfer	9,99,784	2.98
				22.06.2018	2,044	Transfer	10,01,828	2.98
				30.06.2018	8,000	Transfer	10,09,828	3.01
				06.07.2018	3,567	Transfer	10,13,395	3.02
				13.07.2018	1,675	Transfer	10,15,070	3.02
				20.07.2018	12,605	Transfer	10,27,675	3.06
				03.08.2018	8,000	Transfer	10,35,675	3.08
				17.08.2018	3,225	Transfer	10,38,900	3.09
				07.09.2018	26,373	Transfer	10,65,273	3.17
				14.09.2018	12,445	Transfer	10,77,718	3.21
				21.09.2018	9,433	Transfer	10,87,151	3.24
				29.09.2018	20,000	Transfer	11,07,151	3.30
				04.10.2018	23,993	Transfer	11,31,144	3.37
				05.10.2018	45,24,576	Addition*	56,55,720	3.37
				12.10.2018	62,688	Transfer	57,18,408	3.41
				19.10.2018	1,33,259	Transfer	58,51,667	3.49
				26.10.2018	97,602	Transfer	59,49,269	3.54
				02.11.2018	1,88,945	Transfer	61,38,214	3.66
				09.11.2018	26,440	Transfer	61,64,654	3.67
				16.11.2018	80,509	Transfer	62,45,163	3.72

Sr. No.	Name of shareholder	Shareholding at the beginning of the year (i.e. as on April 01, 2018)		Date wise increase/decrease in shareholding during the year with reason (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of shares	Reason	Cumulative shareholding during the year	
		No. of Shares of ₹ 10/- each	% of total shares of the Company				No. of Shares of ₹ 2/- each	% of total shares of the Company
				30.11.2018	1,02,010	Transfer	63,47,173	3.78
				07.12.2018	15,291	Transfer	63,62,464	3.79
				14.12.2018	16,604	Transfer	63,79,068	3.80
				21.12.2018	20,000	Transfer	63,99,068	3.81
				28.12.2018	49,817	Transfer	64,48,885	3.84
				31.12.2018	10,183	Transfer	64,59,068	3.85
				04.01.2019	47,072	Transfer	65,06,140	3.87
				11.01.2019	37,153	Transfer	65,43,293	3.90
				18.01.2019	73,863	Transfer	66,17,156	3.94
				01.02.2019	3,385	Transfer	66,20,541	3.94
				08.02.2019	15,000	Transfer	66,35,541	3.95
				01.03.2019	42,928	Transfer	66,78,469	3.98
				15.03.2019	(74,670)	Transfer	66,03,799	3.93
				29.03.2019	38,355	Transfer	66,42,154	3.96
				31.03.2019	-	Closing	66,42,154	3.96
3	SBI Infrastructure Fund	4,84,059	1.44	08.06.2018	(2,600)	Transfer	4,81,459	1.43
				15.06.2018	(790)	Transfer	4,80,669	1.43
				05.10.2018	19,22,676	Addition*	24,03,345	1.43
				09.11.2018	1,70,000	Transfer	25,73,345	1.53
				16.11.2018	1,82,000	Transfer	27,55,345	1.64
				23.11.2018	85,000	Transfer	28,40,345	1.69
				15.02.2019	(30,167)	Transfer	28,10,178	1.67
				01.03.2019	(26,243)	Transfer	27,83,935	1.66
				29.03.2019	(1,115)	Transfer	27,82,820	1.66
				31.03.2019	-	Closing	27,82,820	1.66
4	Dr. Sanjeev Arora	4,67,515	1.39	05.10.2018	18,70,060	Addition*	23,37,575	1.39
				21.12.2018	35,000	Transfer	23,72,575	1.41
				31.03.2019	-	Closing	23,72,575	1.41
5	Tata Mutual Fund – Tata Small Cap Fund	0	0	13.04.2018	9,081	Transfer	9,081	0.03
				20.04.2018	40,919	Transfer	50,000	0.15
				04.05.2018	28,200	Transfer	78,200	0.23
				05.10.2018	3,12,800	Addition*	3,91,000	0.23
				16.11.2018	8,00,000	Transfer	11,91,000	0.71
				30.11.2018	3,00,000	Transfer	14,91,000	0.89
				07.12.2018	24,900	Transfer	15,15,900	0.90
				01.02.2019	75,100	Transfer	15,91,000	0.95
				31.03.2019	-	Closing	15,91,000	0.95
6	Kiyana Real Estate Pvt. Ltd.	1,97,293	0.59	05.10.2018	7,89,172	Addition*	9,86,465	0.59
				31.03.2019	-	Closing	9,86,465	0.59
7	Abhinav Ashokkumar Daga	57,206	0.17	05.10.2018	2,28,824	Addition*	2,86,030	0.17
				16.11.2018	10	Transfer	2,86,040	0.17
				23.11.2018	(10)	Transfer	2,86,030	0.17
				01.02.2019	6,96,140	Transfer	9,82,170	0.58
				31.03.2019	-	Closing	9,82,170	0.58

Sr. No.	Name of shareholder	Shareholding at the beginning of the year (i.e. as on April 01, 2018)		Date wise increase/decrease in shareholding during the year with reason (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of shares	Reason	Cumulative shareholding during the year	
		No. of Shares of ₹ 10/- each	% of total shares of the Company				No. of Shares of ₹ 2/- each	% of total shares of the Company
8	Ashok Kumar Daga	1,87,344	0.56	13.04.2018	(1,000)	Transfer	1,86,344	0.55
				20.04.2018	(5,000)	Transfer	1,81,344	0.54
				27.04.2018	(719)	Transfer	1,80,625	0.54
				04.05.2018	(10,000)	Transfer	1,70,625	0.51
				11.05.2018	(5,502)	Transfer	1,65,123	0.49
				18.05.2018	(9,283)	Transfer	1,55,840	0.46
				25.05.2018	(2,104)	Transfer	1,53,736	0.46
				01.06.2018	(7,758)	Transfer	1,45,978	0.43
				05.10.2018	5,83,912	Addition*	7,29,890	0.43
				01.02.2019	(4,29,890)	Transfer	3,00,000	0.18
				31.03.2019	-	Closing	3,00,000	0.18
9	Sankaranarayanan Sangameswaran	1,10,706	0.33	05.10.2018	4,42,824	Addition*	5,53,530	0.33
				31.03.2019	-	Closing	5,53,530	0.33
10	Edelweiss Trusteeship Co. Ltd. A/C – Edelweiss MF A/C- Edelweiss Small Cap Fund	1,48,434	0.44	08.06.2018	(1,09,345)	Transfer	39,089	0.12
				15.06.2018	(29,757)	Transfer	9,332	0.03
				22.06.2018	(3,470)	Transfer	5,862	0.02
				05.10.2018	23,448	Addition*	29,310	0.02
				08.02.2019	52,984	Transfer	82,294	0.05
				15.02.2019	50,583	Transfer	1,32,877	0.08
				01.03.2019	73,438	Transfer	2,06,315	0.12
				08.03.2019	1,96,089	Transfer	4,02,404	0.24
				15.03.2019	1,50,000	Transfer	5,52,404	0.33
				31.03.2019	-	Closing	5,52,404	0.33
11	Sushila Kumari Daga	93,250	0.28	05.10.2018	3,73,000	Addition*	4,66,250	0.28
				01.02.2019	(2,66,250)	Transfer	2,00,000	0.12
				31.03.2019	-	Closing	2,00,000	0.12

*The addition in number of shares is due to sub-division of the face value of equity shares from ₹ 10/- each to ₹ 2/- each.

Note: Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

v) Shareholding of Directors and Key Managerial Personnel

Sr. No	Name of shareholder	Shareholding at the beginning of the year (i.e. as on April 01, 2018)		Date wise increase/decrease in shareholding during the year with reason (e.g. allotment / transfer / bonus / sweat equity etc.)	No. of shares	Reason	Cumulative shareholding during the year	
		No. of Shares of ₹ 10/- each	% of total shares of the Company				No. of Shares of ₹ 2/- each	% of total shares of the Company
1	Hemant Modi	99,014	0.29	05.10.2018	3,96,056	Addition*	4,95,070	0.29
				31.03.2019	-	Closing	4,95,070	0.29
2	Samir Raval	17	0.00	05.10.2018	68	Addition*	85	0
				31.03.2019	-	Closing	85	0

*The addition in number of shares is due to sub-division of the face value of equity shares from ₹ 10/- each to ₹ 2/- each.

V. INDEBTEDNESS

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

(₹ in Crores)

Particulars Financial Year 2018-19	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
i) Principal amount	650.18	86.43	-	736.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	650.18	86.43	-	736.61
Change in Indebtedness during the financial year				
i) Addition				
Principal amount	305.39	-	-	305.39
Interest due but not paid	-	-	-	-
Interest accrued but not due	8.92	-	-	8.92
ii) Reduction				
Principal amount	259.60	25.66	-	285.26
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
Net Change	54.71	(25.66)	-	29.05
Indebtedness at the end of the year				
i) Principal amount	695.97	60.77	-	756.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8.92	-	-	8.92
Total (i+ii+iii)	704.89	60.77	-	765.66

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors		Total
		Mr. S. K. Tripathi, CEO & Dy. MD	Mr. Manoj Tulsian, WTD & CFO	
1	Gross salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (IT Act, 1961)	176.01	173.28	349.29
(b)	Value of perquisites u/s 17(2) of IT Act, 1961	12.15	0.64	12.79
(c)	Profits in lieu of salary u/s 17(3) of IT Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	150.00	55.00	205.00
	Others - Committed Commission	-	45.00	45.00
5	Others - retirement benefits	17.14	11.76	28.90
Total A		355.30	285.68	640.98

Ceiling as per the Companies Act, 2013

Managerial Remuneration is within the limit of 10% of the net profit of the Company i.e. ₹ 1978.10 lakhs, calculated as per Section 198 of the Companies Act, 2013.

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Independent Directors			Total Amount
		Mr. D. R. Mehta	Mr. S. R. Mehta	Ms. Anjali Seth	
1	Fee for attending board and committee meetings	3.50	3.50	3.00	10.00
2	Commission	33.00	30.00	11.00	74.00
3	Others, please specify	-	-	-	-
Total B(1)		36.50	33.50	14.00	84.00

2. Remuneration to other Non-Executive Director(s)

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Non-Executive Directors		
		Mr. Hemant Modi	Mr. Manish Mohnot	Mr. Kamal Jain
1	Fee for attending board and committee meetings	2.00		
2	Commission	30.00		
3	Others, please specify	-		
Total B(2)		32.00		
**Total (B)=(B)(1)+(B)(2)		116.00		

No sitting fees/commission paid to Promoter Directors.

**Ceiling as per the Companies Act, 2013	Being 1% of the net profit of the Company i.e. ₹ 197.81 lakhs, calculated as per Section 198 of the Companies Act, 2013.
Total Managerial Remuneration (A + B)	₹ 756.98 lakhs (Total Managerial Remuneration is within the overall limit of 11% of the net profit of the Company i.e. ₹ 2175.91 lakhs, calculated as per Section 198 of the Companies Act, 2013)

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Mr. Samir Raval Company Secretary
1	Gross salary	
(a)	Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	35.00
(b)	Value of perquisites u/s 17 (2) of the Income Tax Act, 1961	-
(c)	Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission as % of profit	-
	Others - Committed Commission	-
5	Others	
	Variable pay	3.00
	Retirement benefits - PF, Gratuity & Super Annuation	2.56
Total		40.56

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A COMPANY					
Penalty					
Punishment			Not Applicable		
Compounding					
B DIRECTORS					
Penalty					
Punishment			Not Applicable		
Compounding					
C OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			Not Applicable		
Compounding					

For and on behalf of the Board of Directors

Shailendra Kumar Tripathi
CEO & Dy. Managing Director

Place: Mumbai
Date: May 08, 2019

Manoj Tulsian
Whole-time Director & CFO

ANNEXURE 6

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

A) Conservation of Energy:

- **Steps taken or impact on conservation of energy:**

- Production of concrete creates a large carbon footprint. Most of the Carbon dioxide equivalent of concrete can be attributed to cement. Part of the cement content in concrete can be replaced with pozzolanic material like Flyash, Ground Granulated Blast Slag (GGBS) in compliance with the contract and codal specifications. By using these pozzolanic materials in producing concrete for the Company's projects reduces the overall associated greenhouse emission. Since these additives are waste products of Thermal Power & Steel manufacturing industries, utilizing them in construction eliminates the need to dispose them as landfills. Therefore, these pozzolanic materials are effectively used as filler materials in Cement ensuring that strength of the structure is not affected while lowering the environmental impact of concrete.
- The Company has been replacing existing conventional lighting system to Energy-efficient LED lighting systems.
- The Company continues phase-wise replacement of power consuming Transformer Welding machines with rectifier welding machines and now with new generation IGBT based welding machine leading to much saving in energy.
- The Company has also invested in VFDs & Multi stage pumps to improve energy efficiency in its operations.
- The Company is testing the efficacy of power saving equipment for conservation of energy.

- **Steps taken by the Company for utilizing alternate sources of energy:**

- The Company has started using Solar renewable products such as Solar lights and Solar Blinkers to promote renewable energy options.

- **Capital Investment on Energy Conservation Equipments:**

- Traditionally, construction industry in India has been using mechanical equipment at construction sites. The Company has taken a conscious decision to progressively replace the mechanical based equipment with more efficient, energy conserving hydraulic based equipment.
- Wherever possible, state electricity connections have been availed, to reduce the diesel consumption and opt for cleaner and more efficient power supply option.

B) Technology Absorption:

- **Efforts made towards Technology Absorption:**

- We have taken steps to digitize our systems and processes by the effective implementation of all our Business Processes like HR, Finance & Accounts, Procurement, Stores, Planning using ERP systems.
- Through Vehicle Tracking System, your Company has been able to improve utilization of the equipment. Fuel management system has been implemented on trial basis for wider coverage in the years ahead.

- **Benefits derived like product improvement, cost reduction, product development or import substitution:**
 - a. Streamlined and standard process that lead to uniformity in results, reduced waiting time.
 - b. Reduction in cost of operations of equipment.
- **In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):**
 - a. The details of technology imported: None
 - b. The year of Import: N.A.
 - c. Whether the technology been fully absorbed: N.A.
 - d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof: N.A.
- **Expenditure incurred on Research and Development:** NIL

C) Foreign Exchange Earnings and Outgo

(₹ in Crores)

Particulars	Year 2018-19	Year 2017-18
Foreign Exchange earned	50.06	99.39
Foreign Exchange used / outgo	125.82	66.58

For and on behalf of the Board of Directors

Shailendra Kumar Tripathi
CEO & Dy. Managing Director

Place: Mumbai
Date: May 08, 2019

Manoj Tulsian
Whole-time Director & CFO

Corporate Governance Report

Corporate Governance is a set of defined principles, processes and systems which governs a Company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. The Company believes that business excellence is the reflection of the professionalism and ethical values of its management and employees. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its Stakeholders. The Company ensures to comply with the requirements of Corporate Governance listed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations').

JMC's Philosophy on Corporate Governance

At JMC Projects, we believe and continuously endeavor to achieve good governance through timely disclosures, transparency, accountability and responsibility in all our dealings with the employees, shareholders, clients and community at large. The Board of Directors represents the interest of the Company's Stakeholders and continuously strives for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance with the Code of Conduct adopted by the Company.

1 BOARD OF DIRECTORS

1.1 Composition

As on March 31, 2019, the Board of Directors consists of 8 (eight) Directors, of which 3 (three) are Independent Directors including a Woman Director, 3 (three) are Non-Executive and Non-Independent and 2 (two) are Executive Directors. The Chairman of the Board is a Non-Executive Independent Director. The composition of the Board is in compliance with the provisions of the Companies Act, 2013 (the 'Act') and Regulation 17 of the Listing Regulations.

The names and category of the Directors, their outside Directorships, their other Membership and Chairmanship of Board Committees as on March 31, 2019 are mentioned hereunder.

Name & DIN of Director	Designation	Category	No. of Directorship in other Companies ⁽¹⁾	Position in outside Committees ⁽²⁾		No. of Shares held in the Company
				Chairman	Member	
Mr. Devendra Raj Mehta 01067895	Chairman	Independent, Non-Executive	6	Nil	2	Nil
Mr. Shailendra Raj Mehta 02132246	Director	Independent, Non-Executive	4	Nil	1	Nil
Ms. Anjali Seth 05234352	Director	Independent, Non-Executive	7	2	2	Nil
Mr. Shailendra Kumar Tripathi 03156123	CEO & Dy. Managing Director	Executive	Nil	Nil	Nil	Nil
Mr. Manoj Tulsian 05117060	Whole-time Director & CFO	Executive	3	Nil	Nil	Nil
Mr. Hemant Modi 00171161	Director	Non-Independent, Non-Executive	2	Nil	Nil	4,95,070
Mr. Kamal Jain 00269810	Director	Promoter, Non-Executive	10	Nil	Nil	Nil
Mr. Manish Mohnot 01229696	Director	Promoter, Non-Executive	5	Nil	2	Nil

⁽¹⁾ Including Private Companies, but excluding Foreign Companies and Section 8 Companies.

⁽²⁾ Represents Chairmanship / Membership of Audit Committee and Stakeholders Relationship Committee of Public Companies only.

Names of the Listed Entities where the Director(s) of the Company i.e. JMC Projects (India) Limited is a Director and the category of Directorship:

Sr. No.	Name & DIN of Director	Name of the Listed Entity	Designation	Category
1	Mr. Devendra Raj Mehta 01067895	Poly Medicure Limited	Chairman	Independent, Non-Executive Director
		Jain Irrigation Systems Limited	Director	Independent, Non-Executive Director
		Glenmark Pharmaceuticals Limited	Director	Independent, Non-Executive Director
2	Mr. Shailendra Raj Mehta 02132246	Poly Medicure Limited	Director	Independent, Non-Executive Director
3	Ms. Anjali Seth 05234352	ADF Foods Limited	Director	Independent, Non-Executive Director
		Kalpataru Power Transmission Limited	Director	Independent, Non-Executive Director
		Endurance Technologies Limited	Director	Independent, Non-Executive Director
		Centrum Capital Limited	Additional Director	Independent, Non-Executive Director
		Caprihans India Limited	Director	Independent, Non-Executive Director
4	Mr. Shailendra Kumar Tripathi 03156123	Nil	Nil	Nil
5	Mr. Manoj Tulsian 05117060	Nil	Nil	Nil
6	Mr. Hemant Modi 00171161	Nil	Nil	Nil
7	Mr. Kamal Jain 00269810	Nil	Nil	Nil
8	Mr. Manish Mohnot 01229696	Kalpataru Power Transmission Limited	Managing Director & CEO	Executive Director

There are no inter-se relationships between the Board members. In the opinion of the Board, the Independent Directors fulfills the conditions as specified in Listing Regulations and are independent of the management.

Necessary resolution seeking approval of members of the Company for re-appointment of Mr. D. R. Mehta, Mr. Shailendra Raj Mehta and Ms. Anjali Seth, Independent

Directors of the Company forms an integral part of the Notice convening 33rd Annual General Meeting (AGM) of the Company.

Attention of the members is invited to the relevant item of the Notice of the AGM seeking their approval for re-appointment of Directors. Relevant information as required under the Listing Regulations is appended in the AGM Notice.

1.2 List of core skills/expertise/competencies as identified by the Board of Directors of the Company as required in the context of Company's business and sector for it to function effectively and those actually available with the Board.

Skills/expertise/competence	Whether available with the Board or not?
Industry knowledge/experience (EPC Industry)	
Experience	Yes
Industry knowledge	Yes
Understanding of relevant laws, rules, regulation and policy	Yes
International Experience	Yes
Contract management	Yes
Technical skills/experience	
Accounting and Finance	Yes
Business Development	Yes
Information Technology	Yes
Talent Management	Yes
Leadership	Yes
Compliance and risk	Yes
Legal	Yes
Business Strategy	Yes
Behavioral Competencies	
Integrity and ethical standards	Yes
Mentoring abilities	Yes
Interpersonal relations	Yes

1.3 Board Meetings and attendance

During the year, the Board met 4 (four) times on May 24, 2018, August 06, 2018, October 30, 2018 and January 31, 2019. The maximum gap between any two Board Meetings was less than one hundred and twenty days. The necessary quorum was present for all the meetings. The agenda papers along with the notes thereon, other supporting documents and all information as required under Regulation 17(7) of Listing Regulations were circulated in advance to the Board Members.

1.6 Code of Conduct

The Board has laid down the code of conduct for all the Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at https://www.jmcprojects.com/investor/corporate_governance. All Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the financial year ended March 31, 2019 and a declaration to this effect duly signed by CEO & Dy. Managing Director of the Company is appended to this report.

Details of Director's attendance in Board Meetings held during the financial year 2018-19 and in the last AGM are as under:

Name of Director	No. of Board Meetings attended/held	Attendance at last AGM held on August 06, 2018
Mr. Devendra Raj Mehta	4 / 4	Yes
Mr. Shailendra Raj Mehta	4 / 4	Yes
Mr. Shailendra Kumar Tripathi	4 / 4	Yes
Mr. Manoj Tulsian	4 / 4	Yes
Mr. Hemant Modi	4 / 4	Yes
Mr. Kamal Jain	4 / 4	Yes
Mr. Manish Mohnot	4 / 4	Yes
Ms. Anjali Seth	4 / 4	Yes

1.4 Separate Meeting of Independent Directors

Pursuant to Schedule IV of the Act read with Regulation 25(3) of the Listing Regulations, the Independent Directors met on May 24, 2018 without attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the performance of Chairman of the Company based on the views of Executive and Non-Executive Directors. The Independent Directors also discussed on the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

1.5 Familiarization Programme

The Company has familiarization programme for the Independent Directors with respect to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The familiarization programme along with details of the same imparted to the Independent Directors during the year are available on the Company's website at https://www.jmcprojects.com/investor/corporate_governance.

1.7 Review of Compliance Report by the Board

The Company has in place a proper system to enable the Board to review on a quarterly basis the Compliance Report pertaining to all applicable laws to the Company and also to assess the steps taken by the Company to rectify instances of non-compliances, if any.

1.8 Prevention of Insider Trading

As per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has devised the Code of Conduct to regulate, monitor and report trading in Securities of the Company. The Company Secretary is the Compliance Officer for the purpose of this Code. During the year, there has been due compliance with the Code by the Company and all Insiders.

2 AUDIT COMMITTEE

As on March 31, 2019, the Audit Committee comprises of 4 (four) members. All members of the Audit Committee are Non-Executive Directors, out of whom 3 (three) are Independent Directors. The Committee met 4 (four) times during the year viz. May 24, 2018, August 06, 2018, October 30, 2018 and January 31, 2019. The maximum gap between any two Committee Meetings was less than one hundred and twenty days. The composition of the Audit Committee is in compliance with the Regulation 18 of Listing Regulations and the provisions of Section 177 of the Act and rules made thereunder.

The details of composition of the Audit Committee and attendance at the meeting during the financial year are as under.

Name of Member	Category	No. of Meetings	
		Attended	Held
Mr. Devendra Raj Mehta, Chairman	Independent, Non-Executive	4	4
Mr. Shailendra Raj Mehta	Independent, Non-Executive	4	4
Mr. Kamal Jain	Non-Executive	4	4
Ms. Anjali Seth	Independent, Non-Executive	4	4

The Chairman of the Audit Committee has attended the last AGM of the Company held on August 06, 2018. The Company Secretary of the Company acts as the Secretary to the Committee.

Audit Committee meetings are also attended by CFO, CEO, representatives of the Statutory Auditors, Internal Auditors

and other executives as required. The Committee also invites senior executives, where it considers appropriate to attend meetings of the Audit Committee.

The Committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

The powers, role and terms of reference of the Audit Committee includes the matters as specified under the Act and the Listing Regulations, besides other terms as referred by the Board. The broad terms of reference includes; oversight of financial reporting process, review of financial results and related information, approval of related party transactions, review of internal financial controls, risk management, performance of statutory and internal auditors, audit process, relevant compliances, appointment and payment to auditors etc.

3 NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2019, Nomination and Remuneration Committee comprises of 3 (three) Non-Executive Directors, out of whom 2 (two) Directors are Independent Directors. The Committee met 2 (two) times during the year viz. May 24, 2018 and January 31, 2019. The composition of the Nomination and Remuneration Committee is in compliance with the Regulation 19 of the Listing Regulations and the provisions of Section 178 of the Act and rules made thereunder. The details of composition of the Nomination and Remuneration Committee and the attendance at the meeting during the financial year are as under.

Name of Member	Category	No. of Meetings	
		Attended	Held
Mr. Shailendra Raj Mehta, Chairman	Independent, Non-Executive	2	2
Mr. Devendra Raj Mehta	Independent, Non-Executive	2	2
Mr. Manish Mohnot	Non-Executive	2	2

The powers, role and terms of reference of the Nomination and Remuneration Committee includes the matters as specified under the Act and the Listing Regulations, besides other terms as referred by the Board. The broad terms of reference includes formulation of remuneration policy, set criteria for determining qualifications, positive

attributes and independence of a director, formulation of criteria for evaluation of performance of independent directors & the Board and criteria for appointment of directors and senior management.

Performance Evaluation

The Company policy provides for the manner, mode and unique questionnaires to evaluate performance of the Board, Committees, Independent Directors and Non-Independent Directors. The criteria for the performance evaluation of the Directors includes (a) Attendance of each Director (b) Preparedness of each Director

(c) Participation in meaningful discussion (d) Conduct and behavior of each Director (e) Effectiveness of the decision taken based on deliberations etc. The evaluation process includes review, discussion and feedback from the directors in reference to set criteria and questions.

Evaluation of Performance of the Board, its Committees, every Independent Director and Non-Independent Directors for the Financial Year 2018-19 has been carried out following the manner and process as per the policy in this respect. The Directors are satisfied with the performance and evaluation.

4 REMUNERATION OF DIRECTORS

Details of remuneration, perquisites, sitting fees etc. of the Directors for the Financial Year ended March 31, 2019 are as under.
(₹ in lakhs)

Name of Director	Category	Remuneration components				
		Salary	Perquisites & retirement benefits	Commission / Profit Linked Incentive	Sitting fees	Total
Mr. D. R. Mehta	Independent, Non-Executive	Nil	Nil	33.00	3.50	36.50
Mr. S. R. Mehta	Independent, Non-Executive	Nil	Nil	30.00	3.50	33.50
Mr. S. K. Tripathi	Executive	176.01	29.29	150.00	Nil	355.30
Mr. Manoj Tulsian	Executive	173.28	12.40	100.00	Nil	285.68
Mr. Hemant Modi	Non-Independent, Non Executive	Nil	Nil	30.00	2.00	32.00
Mr. Kamal Jain	Promoter, Non-Executive	Nil	Nil	Nil	Nil	Nil
Mr. Manish Mohnot	Promoter, Non-Executive	Nil	Nil	Nil	Nil	Nil
Ms. Anjali Seth	Independent, Non-Executive	Nil	Nil	11.00	3.00	14.00

Service Contracts, notice period, severance fees

- (a) Mr. S. K. Tripathi, CEO & Dy. Managing Director of the Company was re-appointed by the Board on the recommendation of Nomination and Remuneration Committee at its meeting held on August 11, 2016 for a period of 3 (three) years w.e.f. October 22, 2016 on the terms and conditions approved by the members at the 31st AGM held on August 10, 2017. The Agreement dated August 12, 2016 was executed between the Company and Mr. S. K. Tripathi. The term provides for the termination of contract by either party after giving six months' notice in writing or salary in lieu thereof to the other party.
- (b) Mr. Manoj Tulsian, Whole-time Director & CFO of the Company was appointed by the Board on the recommendation of Nomination and Remuneration Committee at its meeting held on May 27, 2016 for

a period of 3 (three) years w.e.f. May 27, 2016 on the terms and conditions approved by the members at the 30th AGM held on August 11, 2016. The Agreement dated May 27, 2016 was executed between the Company and Mr. Manoj Tulsian. The term provides for the termination of contract by either party after giving six months' notice in writing or salary in lieu thereof to the other party.

Remuneration of Mr. S. K. Tripathi and Mr. Manoj Tulsian comprises of fixed and performance linked incentive components. Performance linked incentive / Commission is payable as may be recommended by the Nomination & Remuneration Committee and as approved by the Board every year, as per the respective agreements executed, subject to applicable statutory provisions and the criteria of performance, achievements, critical project's performance etc. as per the Remuneration Policy.

The Board of Directors of the Company approved payment of commission to the Non-Executive Directors (excluding Promoter Directors) of the Company in recognition of their performance during the financial year 2018-19, not exceeding in aggregate 1% of net profits of the Company calculated under Section 198 of the Act.

There is no pecuniary relationship or transaction between the Company and any of the Non-Executive Directors, except payment of sitting fees / remuneration including Commission. The Company does not have any stock option scheme.

None of the Directors are eligible for any severance fees.

4.1 Remuneration Policy

The Board has on the recommendation of the Nomination and Remuneration Committee, approved Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

The Policy describes various aspects and guiding factors in determining the remuneration of Directors, Key Managerial Personnel and employees of the Company with intent to maintain level and composition of remuneration reasonable and sufficient to attract, retain and motivate directors and employees to run the Company successfully and align the growth of the Company and development. The broad provisions of the Remuneration Policy are summarized here under.

- a) Nomination and Remuneration Committee has important role in monitoring the Policy.
- b) Non-Executive Directors are entitled to sitting fees and commission on annual basis as may be determined by the Board from time to time and subject to statutory provisions. The Company reimburses expenses to the directors for attending the meeting of the Board and Committees.
- c) The Commission will be paid to Non-Executive Directors as per criteria mentioned in this Report.
- d) On recommendation of the Nomination and Remuneration Committee, the Board may consider appropriate additional remuneration to such Non-Executive Director who has devoted considerable time and efforts in relation to business matters of the Company.
- e) Commission payable to Executive Directors shall be determined based on appointment terms,

performance criteria as the Board may consider appropriate keeping in view the performance of the Company, performance by Executive Director, achievements, critical project's performance etc. keeping in view the recommendations of Nomination and Remuneration Committee.

- f) Nomination and Remuneration Committee would recommend about the increase, restructure and/or other suggestion in respect to remuneration to members of senior management considering aspects including overall performance of the Company, major role played, responsibilities handled and other relevant factors.

The Remuneration Policy is available on the website of the Company at https://www.jmcprojects.com/investor/corporate_governance

4.2 Criteria for payment to Non-Executive / Independent Directors

Non-Executive Directors (excluding Promoter Directors) are paid sitting fees of ₹ 50,000/- for attending each meeting of the Board and ₹ 25,000/- for attending each meeting of Audit Committee and Nomination and Remuneration Committee. In addition, the Company also reimburses expenses to out station Directors for attending meetings.

The remuneration by way of commission to the Non-Executive Directors (excluding Promoter Directors) is decided, keeping in view the recommendation of Nomination and Remuneration Committee, based on number of factors including attendance of the meetings, contribution in the Board and Committee meetings, involvement in decision-making process etc.

5 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee oversees, inter alia, timely redressal of shareholders' grievances such as issues involving transfer and transmission of shares, issue of duplicate certificates, recording dematerialization / re-materialization, non-receipt of dividend, annual report etc. The Committee also reviews the systems and procedures followed to resolve investor complaints and suggests several measures for improvement, if necessary. The Committee comprises of 4 (four) directors out of which Chairman is a Non-Executive Director. The Committee met 4 (four) times during the financial year viz. May 24, 2018, August 06, 2018, October 30, 2018 and January 31, 2019.

The details of composition of the Committee and the attendance at meeting are as under.

Name of Member	Category	No. of Meetings	
		Attended	Held
Mr. Kamal Jain, Chairman	Non-Executive Director	4	4
Mr. S. K. Tripathi	CEO & Dy. Managing Director	4	4
Mr. Manish Mohnot	Non-Executive Director	4	4
Ms. Anjali Seth*	Independent, Non-Executive	N.A.	N.A.

*Ms. Anjali Seth, Independent Non-Executive Director was inducted as a member of the Committee effective from April 01, 2019.

Mr. Samir Raval, Company Secretary is designated as Compliance Officer of the Company. The designated e-mail ID for investor service and correspondence is cs@jmcprojects.com

During the year, the Company has received 2 (two) complaints, which has been timely resolved to the satisfaction of the Complainant and there was no investor complaint pending as on March 31, 2019. The status of complaints, if any, is periodically reported to the Committee.

6 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee oversees, inter alia, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as

prescribed under Section 135 of the Act which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as per Schedule VII to the Act, recommending the amount of expenditure to be incurred and monitoring the CSR Policy of the Company.

The Committee comprises of 3 (three) directors out of which Chairman is an Independent Director. During the year, the Committee met 3 (three) times viz. May 24, 2018, August 06, 2018 and January 31, 2019.

The details of composition of the Committee and the attendance at meeting during the financial year are as under.

Name of Member	Category	No. of Meetings	
		Attended	Held
Mr. D. R. Mehta, Chairman	Independent, Non-Executive Director	3	3
Mr. S. K. Tripathi	CEO & Dy. Managing Director	3	3
Mr. Kamal Jain	Non-Executive Director	3	3

7 OTHER COMMITTEES

The Board has constituted Management Committee to look into various routine business matters; Share Transfer Committee to look after the transfer / transmission of shares, issue of duplicate shares etc; and Risk Management Committee to ascertain & minimize risk, to take appropriate decisions for regular assessment and minimization of risks.

8 COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS

Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of Listing Regulations are as under:

Sr. No.	Particulars	Regulations	Brief description of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation to the Non- Executive Directors	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Minimization and Risk Management Plan	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes

Sr. No.	Particulars	Regulations	Brief description of the Regulations	Compliance Status (Yes/No/N.A.)
2	Audit Committee	18(1)	Composition of Audit Committee & presence of the Chairman of the Committee at the AGM	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and review of information by the Committee	Yes
3	Nomination & Remuneration Committee	19(1) & (2)	Composition of Nomination & Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the AGM	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholders Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1),(2) & (3)	Composition of Risk Management Committee	N.A.
		21(4)	Role of the Committee	N.A.
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees	Yes
7	Related Party Transactions	23(1),(5),(6),(7) & (8)	Policy for Related Party Transactions	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all related party transactions and review of transactions by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions	N.A.
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of unlisted material subsidiary	N.A.
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to subsidiary including material subsidiary of listed entity	Yes
9	Obligations with respect to Independent Directors	25(1) & (2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(6)	Filling the vacancy of Independent Director created by resignation or removal	N.A.
		25(7)	Familiarization of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1) & (2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct by members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflict of interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of discretionary requirements	Yes
		27(2)	Filing of quarterly Compliance Report on Corporate Governance	Yes

Sr. No.	Particulars	Regulations	Brief description of the Regulations	Compliance Status (Yes/No/N.A.)
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various Committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism/ Whistle Blower Policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive directors	Yes
		46(2)(g)	Policy on dealing with related party transactions	Yes
		46(2)(h)	Policy for determining 'Material' Subsidiaries	Yes
		46(2)(i)	Details of familiarization programmes imparted to Independent Directors	Yes

9 GENERAL BODY MEETINGS

i. Annual General Meeting:

Details of last three Annual General Meetings are given herein below.

AGM	Financial Year	Date	Time	Venue of AGM
32 nd AGM	2017-18	August 06, 2018	03.30 p.m.	ATMA Auditorium, Opp. Old RBI Office,
31 st AGM	2016-17	August 10, 2017	03.00 p.m.	Ashram Road, Ahmedabad - 380009
30 th AGM	2015-16	August 11, 2016	03.00 p.m.	

ii. Special Resolutions:

The following are the details of special resolutions passed at the last three AGM.

Date of AGM	Summary of Special Resolution passed
August 06, 2018	Issue of Non-Convertible Debentures on a Private Placement basis. Alteration of Articles of Association of the Company. Continuation of Directorship of Mr. D. R. Mehta (DIN: 01067895), Independent Non-Executive Director of the Company.
August 10, 2017	Issue of Non-Convertible Debentures on a Private Placement basis.
August 11, 2016	Keeping registers, returns etc. at a place other than Registered office of the Company.

iii. Details of Special Resolution passed through Postal Ballot, the person who conducted the postal ballot exercise and details of the voting pattern:

During the year, the Company sought the approval of the shareholders through notice of postal ballot dated August 06, 2018 for the following resolutions:

- Special Resolution under Sections 61(1)(d), 64 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder for sub-dividing the existing face value of equity shares of ₹ 10/- each (Rupees Ten only) to ₹ 2/- each (Rupees Two only) and
- Ordinary Resolution under Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder for the alteration of Clause V i.e. Capital clause of the Memorandum of Association of the Company.

The results of postal ballot were announced on September 19, 2018. Mr. Dharmesh Zaveri (Proprietor of D. M. Zaveri & Co.), Practicing Company Secretary having Membership No. 5418 and CP No. 4363 was appointed as a scrutinizer to conduct the Postal Ballot voting process (including e-voting) in a fair and transparent manner.

Details of Voting Pattern were as under:

- (i) Special Resolution under Sections 61(1)(d), 64 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder for sub-dividing the existing face value of equity shares of ₹ 10/- each (Rupees Ten only) to ₹ 2/- each (Rupees Two only).

Mode of voting	Total valid votes	Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
		No. of ballot/ e-voting entry	No. of Shares	% to total valid votes	No. of ballot/ e-voting entry	No. of shares	% to total valid votes	No. of ballot/ e-voting entry	No. of shares
E-voting	2,75,00,806	67	2,75,00,754	99.9998	2	52	0.0002	0	0
Postal Ballot	3,995	20	3,985	99.7497	1	10	0.2503	6	1,570
Total	2,75,04,801	87	2,75,04,739	99.9998	3	62	0.0002	6	1,570

- (ii) Ordinary Resolution under Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder for the alteration of Clause V i.e. Capital clause of the Memorandum of Association of the Company.

Mode of voting	Total valid votes	Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
		No. of ballot/ e-voting entry	No. of Shares	% to total valid votes	No. of ballot/ e-voting entry	No. of shares	% to total valid votes	No. of ballot/ e-voting entry	No. of shares
E-voting	2,75,00,806	68	2,75,00,756	99.9998	1	50	0.0002	0	0
Postal Ballot	3,943	20	3,943	100.0000	0	0	0.0000	6	1,570
Total	2,75,04,749	88	2,75,04,699	99.9998	1	50	0.0002	6	1,570

Procedure for Postal Ballot:

The Company conducted the postal ballot in accordance with the provisions of Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ('Rules'). The Company had completed the dispatch of the Postal Ballot Notice dated August 06, 2018 along with the Explanatory Statement, postal ballot form and self-addressed business reply envelopes on August 17, 2018 to the shareholders who had not registered their e-mail IDs with the Company/Depositories and also sent by e-mail the said documents to shareholders whose e-mail IDs were registered with the Company/Depositories. The Company also published notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the provisions of the Act and Rules framed thereunder. In compliance with the provisions of Sections 108 & 110 of the Act and Rule 20 & 22 of the Rules read with Regulation 44 of the Listing Regulations, the Company had offered the facility of e-voting to its members to enable them to cast their votes electronically. The voting under the postal ballot was kept open from August 20, 2018 (09.00 a.m. IST) to September

18, 2018 (05.00 p.m. IST). Upon completion of scrutiny of the postal ballot forms and votes cast through e-voting in a fair and transparent manner, the scrutinizer i.e. Mr. Dharmesh Zaveri submitted his report to the Company and the results of the postal ballot were announced by the Company on September 19, 2018. The voting results were sent to the Stock Exchanges and displayed on the Company's website www.jmcprojects.com and on the website of Central Depository Services (India) Limited.

None of the businesses proposed to be transacted in the ensuing AGM requires special resolution through postal ballot.

10 DISCLOSURES

a) Related Party Transactions

During the year, there were no materially significant transactions with related parties that may have potential conflict with the interest of the Company at large. Related Party Transactions have been disclosed in the notes to financial statements. The Company has formulated Policy for determining Material Subsidiaries and Policy on

dealing with Related Party Transactions. The said policies are hosted on the Company's website at https://www.jmcprojects.com/investor/corporate_governance

b) Whistle Blower Policy / Vigil Mechanism

The Company has a Whistle Blower Policy for establishing a vigil mechanism to report genuine concerns regarding unethical behavior and mismanagement, if any. No employee of the Company was denied access to the Audit Committee. Details relating to vigil mechanism are also mentioned in the Board's Report. The Whistle Blower Policy is available on the website of the Company at https://www.jmcprojects.com/investor/corporate_governance

c) Compliance with mandatory and non-mandatory requirements

The Company has complied with all the applicable mandatory requirements under various Regulations of the Listing Regulations. The Company has obtained a Certificate from Practicing Company Secretary M/s. D. M. Zaveri & Co., Company Secretaries to this effect and the same is annexed to this Report.

The Company has complied with non-mandatory requirements of Listing Regulations as follows:

(i) The Board: The Chairman of the Company is a Non-Executive Chairman; (ii) Shareholder Rights: The quarterly, half-yearly and annual financial results are published in newspapers, uploaded on Company's website; (iii) Modified Opinion(s) in Audit Report: The Auditor's opinion on the Financial Statements is unmodified; (iv) Separate posts of Chairperson and CEO: The positions of the Chairman and the CEO & Dy. Managing Director in the Company are separate; and (v) Reporting of Internal Auditor: The Internal Auditor of the Company reports directly to the Audit Committee.

d) Commodity price risk or foreign exchange risk and hedging activities

The Company has entered into forward contracts to hedge its risk associated with foreign currency fluctuations. The Company has natural hedge because of both imports and exports. To the extent of surplus of exports, the Company remains unhedged.

Disclosure pertaining to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are as under:

1. Risk Management Policy of the Company with respect to commodities including through hedging: The Company has in place framework to manage commodity risk. The Company's business mainly requires raw materials such as Reinforcement Steel, Readymade Concrete, Structural Steel, Pipe and Pipe Fittings, Cement etc. The prices of these raw materials are varied due to supply demand mismatch, competition, production levels etc. The Company currently manages such risk through the fixation of base price of major raw materials in contract with customers. The contract also provides for general escalation clause based on the wholesale price index of materials, whereby the risk of fluctuation in the input cost is passed on to the Client.
2. Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:
 - a. Total exposure of the Company to material commodities in INR: ₹ 1,061 Crores
 - b. Exposure of the Company to various material commodities:

Commodity Name	Exposure in INR towards the particular commodity (₹ in Crores)	Exposure in Quantity terms towards the particular commodity	Risk Exposure towards the particular commodity	% of such exposure hedged through commodity derivatives				
				Domestic market		International market		Total
				OTC	Exchange	OTC	Exchange	
Reinforcement Steel	380	89985 (MT)	Covered in Contract terms	-	-	-	-	-
Readymade Concrete	223	850960 (M3)		-	-	-	-	-
Structural Steel	171	36005 (MT)		-	-	-	-	-
Pipe and Pipe Fittings	163	35562 (MT)		-	-	-	-	-
Cement	124	285094 (MT)		-	-	-	-	-

c. Commodity risks faced by the Company during the year and how they have been managed:

The Company has not faced any commodity risks during the year under review due to the reason(s) mentioned at serial number 1 above.

e) Proceeds from public issues, right issues, preferential issues etc.

The Company has not raised any funds through issue of equity shares during the financial year 2018-19 and there is no pending utilization of any of its earlier issue proceeds as on March 31, 2019.

f) CEO & CFO Certification

The CEO & Dy. Managing Director and Whole-time Director & CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2019.

g) No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of LODR Regulations: This Regulation is not applicable to the Company as the Company has not raised any funds through preferential allotment or qualified institutions placement.

i) Certificate under Regulation 34(3) of the Listing Regulations

The Company has obtained a Certificate pursuant to Regulation 34(3) read with Schedule V of Listing Regulations from M/s. D. M. Zaveri & Co., Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority. The said certificate has been annexed with this Report.

j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

k) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Details relating to fees paid to the statutory auditors are given in Note 21(b)(i) to the Standalone Financial Statements.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year 2018-19: Nil
- number of complaints disposed of during the financial year 2018-19: N.A.
- number of complaints pending as on end of the financial year 2018-19: N.A.

m) Details of Credit Ratings obtained by the Company:

Instrument/Facilities	Ratings
	CARE Ratings Limited
Long term Facilities (for Term Loans & NCDs)	A+; Stable
Short term Facilities (for short term facilities)	A1+

During the year under review, there have been no revisions in Credit Rating obtained by the Company.

11 MEANS OF COMMUNICATION

a) Newspapers: The extract of Quarterly, Half-yearly and Annual Financial Results of the Company are published in Economic Times - English and Gujarati edition, Business Standard (English), Jai Hind (Gujarati).

b) Website of the Company: The Company's website www.jmcprojects.com contains a separate dedicated section "Investors" where all relevant information for the shareholders is available. Quarterly, Half-yearly and Annual Financial Results, disclosures and filings with the stock exchanges, official press releases, presentations to analysts and institutional investors and other general information about the Company is also available on the Company's website. The Annual Report of the Company is uploaded on the website of the Company.

c) Disclosures: The Company disseminates on the website of Stock Exchanges, all price sensitive matters or such other matters, which in its opinion are material and have relevance to the shareholders in a timely manner.

d) Presentations to institutional investors or analysts: The presentations made to the institutional investors or analysts have been uploaded on the website of the Company and also submitted to the Stock Exchanges for dissemination.

12 GENERAL INFORMATION FOR SHAREHOLDERS

a) Annual General Meeting and Book Closure:

Date, time and venue of AGM: July 29, 2019 at 03.00 p.m. at H. T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015

Book Closure Period: July 24, 2019 to July 29, 2019 (both days inclusive)

b) Financial Year: April 01 to March 31

c) Financial Results:

First Quarter Results : by August 14
Half-Year Results : by November 14
Third Quarter Results : by February 14
Annual Results : by May 30

d) Dividend Payment Date: Dividend of Re. 0.70 per equity share, if approved by the members will be paid on or after August 02, 2019.

e) Listing on Stock Exchanges:

(i) The Company's equity shares are listed on the following Stock Exchanges.

BSE Limited (BSE), P. J. Towers, Dalal Street, Fort, Mumbai - 400001

National Stock Exchange of India Limited (NSE), Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051

Stock Code/Symbol: BSE - 522263, NSE - JMCPROJECT

ISIN Number: INE890A01024

(ii) The Non-Convertible Debentures are listed on the Wholesale Debt Market segment of BSE Limited.

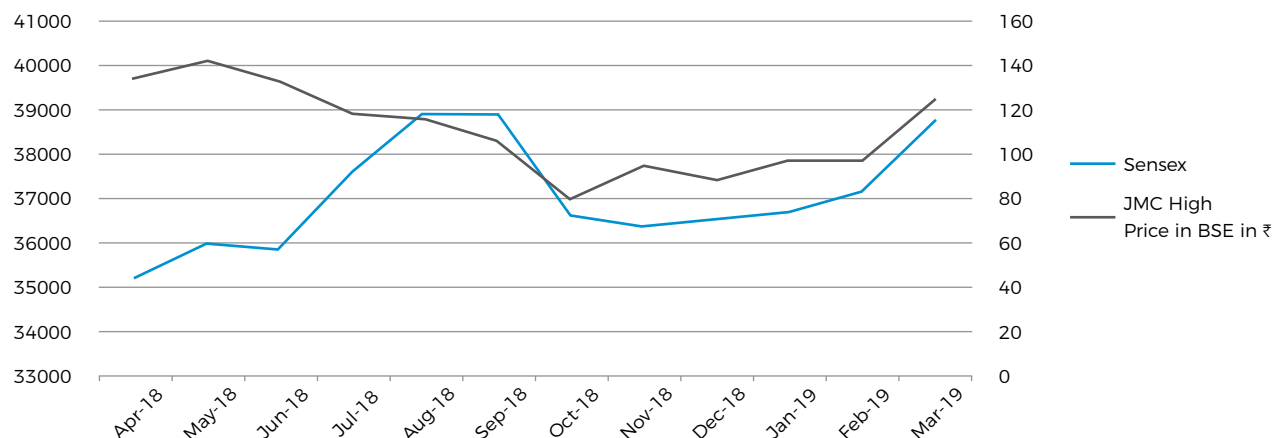
f) Payment of Listing Fees: The Company has paid annual listing fees for the financial year 2019-20 to the BSE and NSE within stipulated time.

g) Market Price Data: The monthly high and low price of equity shares traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as under.

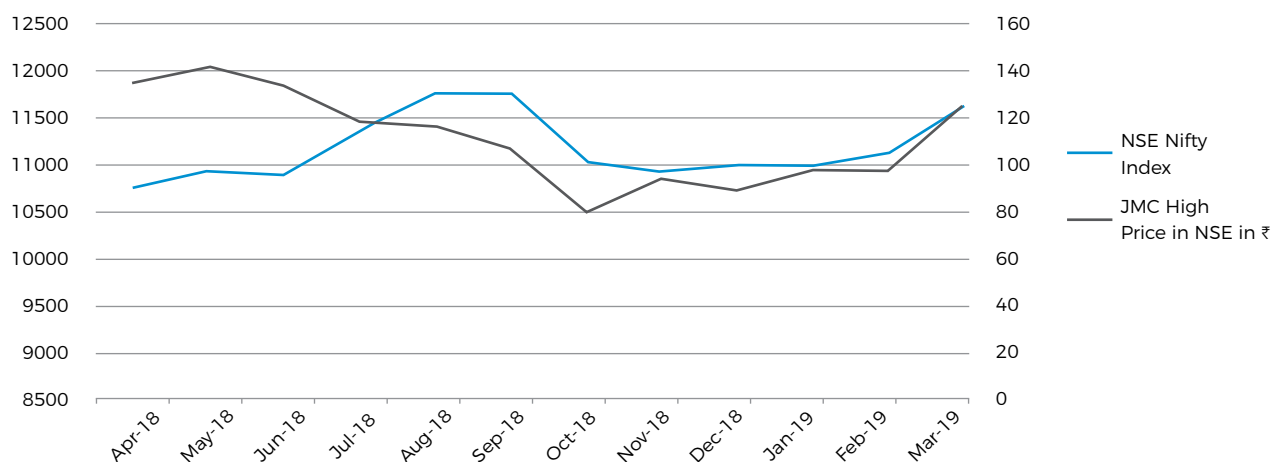
Face value of Equity Shares: ₹ 10/- each up to 04.10.2018 and ₹ 2/- each w.e.f. 05.10.2018 on account of split of equity shares of the Company. The pre-split share prices are adjusted to make it comparable with post-split share prices.

Month	BSE				NSE			
	Share Price (in ₹)		Sensex		Share Price (in ₹)		Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr-18	134.60	112.20	35213.30	32972.56	135.00	109.85	10759.00	10111.30
May-18	142.00	125.05	35993.53	34302.89	141.20	126.10	10929.20	10417.80
Jun-18	132.80	101.65	35877.41	34784.68	133.60	101.45	10893.25	10550.90
Jul-18	118.55	105.45	37644.59	35106.57	118.60	104.80	11366.00	10604.65
Aug-18	116.00	101.00	38989.65	37128.99	115.95	101.00	11760.20	11234.95
Sep-18	106.00	75.25	38934.35	35985.63	107.00	74.05	11751.80	10850.30
Oct-18	79.50	67.00	36616.64	33291.58	79.40	66.60	11035.65	10004.55
Nov-18	95.10	81.25	36389.22	34303.38	94.00	81.55	10922.45	10341.90
Dec-18	89.00	76.00	36554.99	34426.29	89.40	75.65	10985.15	10333.85
Jan-19	97.75	85.70	36701.03	35375.51	97.90	85.45	10987.45	10583.65
Feb-19	97.20	85.00	37172.18	35287.16	97.20	87.05	11118.10	10585.65
Mar-19	124.90	91.05	38748.54	35926.94	125.05	95.55	11630.35	10817.00

JMC Share price vs. BSE Sensex - April 2018 to March 2019



JMC Share price vs. NSE Nifty - April 2018 to March 2019



h) Share Transfer System: Applications for transfer of shares in physical form are processed by the Company's Registrar & Transfer Agent viz. M/s. Link Intime India Pvt. Ltd. The Company has constituted Share Transfer Committee to look after the transfer / transmission of shares, issue of duplicate shares and allied matters. The transfers of shares in physical form as and when received are normally processed within 15 days from the date of receipt of documents complete in all respects. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective Depositories i.e. NSDL and CDSL within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in the dematerialised form with the depositories. In view of the same, members are advised to dematerialize shares held by them in physical form.

The Company has obtained half-yearly certificate from Practicing Company Secretary to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub-division, consolidation and renewal etc. as required under Regulation 40(9) of the Listing Regulations and the same were submitted to the Stock Exchanges.

A Company Secretary in Practice carried out an Audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued & listed capital. The Audit confirms that the total issued / listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form. The Reconciliation of Share Capital Audit Report issued by the Company Secretary in Practice in this regard is submitted to the Stock Exchanges on a quarterly basis.

i) Distribution of Equity Shareholding as on March 31, 2019

No. of Shares of ₹ 2/- each	Shareholders		Equity Shares	
	Number	% of total Shareholders	Number	% of total Shares
Up to 500	6,008	59.06	10,55,691	0.63
501 - 1000	1,444	14.19	11,31,853	0.67
1001 - 2000	1,014	9.97	14,94,067	0.89
2001 - 3000	508	4.99	12,79,358	0.76
3001 - 4000	279	2.74	9,80,012	0.58
4001 - 5000	202	1.99	9,50,941	0.57
5001 - 10000	355	3.49	26,15,724	1.56
10001 and above	363	3.57	15,83,97,524	94.34
Total	10,173	100.00	16,79,05,170	100.00

j) Shareholding Pattern as on March 31, 2019

Sr. No.	Category	No. of Shares held	% of Shares held
A	Promoter and Promoter Group Shareholding		
	Indian	11,28,14,405	67.19
	Foreign	-	-
B	Public Shareholding		
	1. Institutions		
	Mutual Fund	2,72,40,805	16.22
	Foreign Portfolio Investor	18,12,330	1.08
	Financial Institutions / Banks	35,642	0.02
	2. Non-Institutions		
	Individuals & HUFs	1,86,30,201	11.10
	Bodies Corporate	36,04,984	2.15
	NRIs	35,17,472	2.10
	Clearing Member	1,36,406	0.08
	NBFCs registered with RBI	5,250	0.00
	Investor Education and Protection Fund	1,07,675	0.06
	Total	16,79,05,170	100.00

k) Dematerialization of Shares and Liquidity

Total 99.80% shares were held in dematerialized form as on March 31, 2019. The shares of the Company are frequently traded on both the Stock Exchanges.

l) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has no outstanding GDRs/ADRs/warrants or any other Convertible Instruments as on March 31, 2019.

m) Equity Shares in suspense account: No equity shares are lying in the suspense account. Hence, no further disclosure / details to mention in this regard.

n) Plant Locations: The Company does not have any manufacturing plant as the Company is in the construction, engineering and other related business. The Company has various works and project sites across the country and abroad.

o) Debenture Trustee

Catalyst Trusteeship Limited

Registered Office: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038, Tel: 020 25280081, Fax: 020 25280275, E-mail: dt@ctltrustee.com, Website: www.catalysttrustee.com

p) Address for Communication

Registered Office: A-104, Shapath 4, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015, Gujarat, India. CIN: L45200GJ1986PLC008717, Tel: 079 30011500, Fax: 079 30011700, E-mail: cs@jmcprojects.com

Corporate Office: 6th Floor, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (East), Mumbai - 400055. Tel: 022 30051500, Fax: 022 30051555, E-mail: cs@jmcprojects.com

Registrar & Share Transfer Agent: Link Intime India Pvt. Ltd. Unit: JMC Projects (India) Limited, Office No. 506 to 508, 5th Floor, Amarnath Business Centre-1 (ABC-1), Near St. Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad - 380009, Tel & Fax: 079 26465179, E-mail: ahmedabad@linkintime.co.in

DECLARATION IN RESPECT OF CODE OF CONDUCT

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors & Senior Managerial Personnel of the Company laid down for them for the financial year ended March 31, 2019.

Place: Mumbai
Date: May 08, 2019

Shailendra Kumar Tripathi
CEO & Dy. Managing Director

CERTIFICATE UNDER REGULATION 34(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
JMC Projects (India) Limited

In my opinion and to the best of my information and according to our examination of the relevant records and information provided by **JMC PROJECTS (INDIA) LIMITED** ('the Company') and based on declarations submitted by the Directors in this regard and representation made by the Management of the Company for the period from 1st April, 2018 to 31st March, 2019 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, I hereby certify that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period from 1st April, 2018 to 31st March, 2019.

For **D. M. Zaveri & Co.**
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 26/04/2019

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
JMC Projects (India) Limited

I have examined the compliance of conditions of Corporate Governance by JMC Projects (India) Limited ('the Company'), for the Financial Year ended 31st March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the period ended March 31, 2019.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **D. M. Zaveri & Co.**
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 20th April, 2019

CEO-CFO CERTIFICATE

To,
The Board of Directors
JMC Projects (India) Limited

Subject: Certificate on financial statements for the financial year ended March 31, 2019 pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We, Shailendra Kumar Tripathi, CEO and Dy. Managing Director and Manoj Tulsian, Whole-time Director and CFO, have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2019 and that to the best of our knowledge and belief, we hereby certify that:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.
- (d) we have indicated to the Auditors and Audit Committee that:
 - (i) There are no significant changes in internal control over financial reporting during the year;
 - (ii) There are no significant changes in accounting policies during the year; and
 - (iii) There are no instances of significant fraud of which we are aware and which involve management or any employees, having significant role in the Company's internal control system over financial reporting.

Yours faithfully,

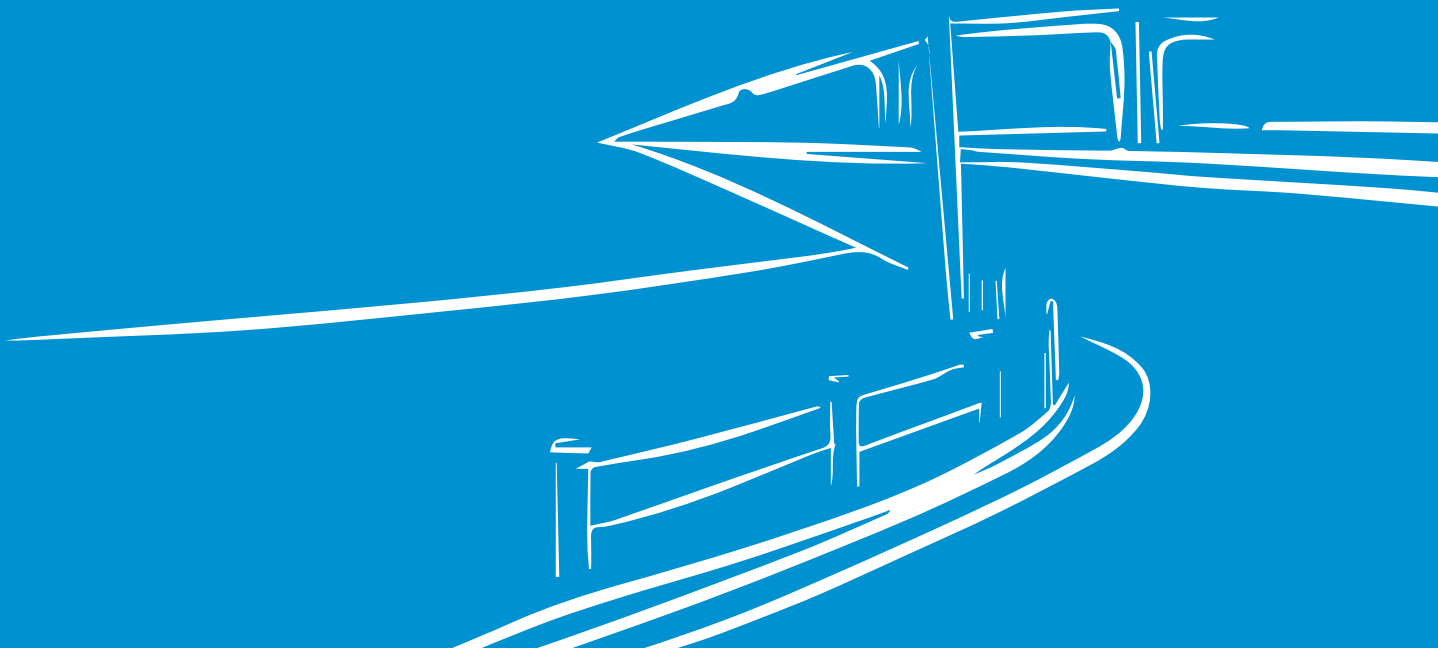
For **JMC Projects (India) Limited**

Shailendra Kumar Tripathi
CEO & Dy. Managing Director

Place: Mumbai
Date: May 08, 2019

Manoj Tulsian
Whole-time Director & CFO

Financial Statements



Independent Auditor's Report

To the Members of
JMC Projects (India) Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of JMC Projects (India) Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information, in which are included the Returns for the year ended on that date audited by the branch auditors of the Company's branches at Ethiopia and Sri Lanka and other auditors of the Company's five unincorporated joint ventures in India (hereinafter referred to as 'Standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such branches and unincorporated joint ventures as were audited by the other auditors, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the Standalone 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 standalone 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 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 opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (Contd..)

Key Audit Matters (Contd..)

Description of Key Audit Matters

Recognition of contract revenue, margin and related receivables

See Note 16 to the standalone financial statements

The Key audit matters	How the matter was addressed in our audit
<p>The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods.</p> <p>The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity's performance in transferring goods or services or if a contract is onerous, present obligations are recognized and measured as provisions.</p> <p>The Company is recognizing contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard which relies on management's estimates of the final outcome of each contract, and involves the exercise of significant management judgment, particularly in forecasting the cost to complete a contract, in valuing contract variations, claims and liquidated damages.</p> <p>We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> significant revenue recognised during the year; significant accrued value of work done balances held at the year-end; or low profit margins. Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments. Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, re-performance and inspection of evidence in respect of operations of these controls. Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation. Evaluated the outcome of previous estimates and agreeing the actual cost after the year end to the forecasted costs for the period. Inquired with management on the progress of works and collections from customers to identify specific customers with which the company might have disagreements or disputes. Evaluated the status of trade receivables on sample basis which are past due as at year end, the Company's on-going business relationship with customer and past payment history of the customers through discussion with management.

Independent Auditor’s Report (Contd..)

Key Audit Matters (Contd..)

Description of Key Audit Matters (Contd..)

Recoverability of carrying value of investment	
See Note 6 (a) to the standalone financial statements	
The Key audit matters	How the matter was addressed in our audit
<p>The assessment of recoverable amount of the Company's investment in and loans receivable from subsidiaries involves significant judgement in respect of assumptions such as discount rates, current work in hand, future contract wins/ future business plan and the recoverability of certain receivables as well as economic assumption such as growth rate.</p> <p>We focused on this area as a key audit matter due to judgement involved in forecasting future cash flows and the selection of assumptions.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none">• Evaluated the net worth and past performance of the Company to whom loans given or investments made.• Compared the carrying amount of the investment with the expected value of the business based on the discounted cash flow analysis;• Assessed the key assumptions for independent valuation obtained by management applied by comparing them with historical performance to assess the Company's ability to forecast accurately.• Performed sensitivity analysis on Key assumptions including discount rates and estimated future growth.• Assessed the appropriateness of the relevant disclosures in the financial statements.

Other Information

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Management’s Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are 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 state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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

Independent Auditor's Report (Contd..)

Management's Responsibility for the Standalone Financial Statements (Contd..)

and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

Independent Auditor's Report (Contd..)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (Contd..)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of two branches and five unincorporated joint ventures included in the standalone financial statements of the Company whose standalone financial statements reflect total assets of Rs 55,493 lakhs as at 31 March 2019 and total revenue of Rs 37,668 lakhs for the year ended on that date, as considered in the standalone financial statements. These branches and unincorporated joint ventures have been audited by the branch and unincorporated joint venture auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and unincorporated joint ventures, is based solely on the report of such branches and unincorporated joint ventures auditors.

The two branches located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such branches located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such branches located outside India is based on the report of other auditors and the

conversion adjustments prepared by the management of the Company and audited by us.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable.

(A) As required by 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 reports on the accounts of the branch offices and unincorporated joint ventures of the Company audited under Section 143(8) of the Act by branch auditors and unincorporated joint venture auditors have been sent to us and have been properly dealt with by us in preparing this report.
- (d) the standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account and with the returns received from the branches and unincorporated joint ventures not visited by us.
- (e) in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

Independent Auditor's Report (Contd..)

Report on Other Legal and Regulatory Requirements (Contd..)

- (f) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) 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 B".

(B) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2019 on its financial position in its standalone financial statements – Refer Note 24 to the standalone financial statements;
- ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts. The Company did not have any material foreseeable losses on derivative contracts - Refer Note 29 to the standalone financial statements;

- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
8 May 2019

Vikas R Kasat
Partner
Membership No: 105317

Annexure A to the Independent Auditor's Report – 31 March 2019

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets and investment properties.
- (b) The Company has a regular programme of physical verification of its fixed assets and investment properties by which the fixed assets and investment properties are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified its fixed assets and investment properties during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 3 and Note 4 to the standalone financial statements, are held in the name of the Company.
- (ii) The inventory of building material, components and spares has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.
- (iii) The Company has granted interest free unsecured loans to five companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
 - i) According to the information and explanations given to us, in our opinion, the terms and conditions on which the unsecured loans have been granted to the companies listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - ii) According to the information and explanations given to us, the unsecured loans granted to companies are repayable on demand. The borrowers have been regular in payment of principal and interest (if any) as demanded.
 - iii) There are no overdue amounts of more than 90 days in respect of the loans granted by the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. Accordingly, compliance under Section 185 of the Act is not applicable to the Company. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans given, guarantees given or securities provided are not applicable to the Company, since it is covered as a company engaged in business of providing infrastructural facilities. The Company has complied with the provisions of Section 186 of the Act with respect to the investments made.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

Annexure A to the Independent Auditors' Report – 31 March 2019 (Contd..)

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-tax, Duty of customs, Goods and Service tax, Entry tax, Local body tax, Property tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. The amounts deducted/accrued in the books of account in respect of undisputed statutory including Provident Fund have generally been regularly deposited during the year with the appropriate authorities, though there have been slight delays in a few cases. The amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Employees' State Insurance and Profession tax, have not been regularly deposited during the year with the appropriate authorities, though the delays in deposit have not been serious.

According to the information and explanations given to us, no material undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Profession tax, Income-tax, Duty of customs, Goods and Service tax, Entry tax, Local body tax, Property tax, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

Also, refer note 24 to the standalone financials statements.

(b) According to the information and explanations given to us, there are no dues of Goods and Service tax, Duty of customs and Duty of excise which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, there are no dues of Income-tax, Service tax and Value added tax as at 31 March 2019, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

(INR in lakhs)

Name of the Statute	Nature of the Dues	Amount Demanded	Amount not Deposited Under Disputes	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Tax, Penalty and Interest	1,154.44	1,067.86	2007-08 to 2009-10	Customs, Excise and Service tax Appellate Tribunal, Ahmedabad
		2,505.73	2,505.73	2008-09 to 2012-13	Customs, Excise and Service tax Appellate Tribunal, Ahmedabad
		551.40	551.40	2015-16	Commissioner, Ahmedabad
		93.59	93.59	2015-16	Commissioner, Ahmedabad
		710.60	657.30	2014-15	Commissioner, Ahmedabad
		98.19	98.19	2012-13 to 2015-16	Commissioner, Ahmedabad
		176.23	176.23	2011-12 to 2015-16	Commissioner, Ahmedabad
		239	239	2015-16 to June 2017	Principal Commissioner, Ahmedabad

Annexure A to the Independent Auditors' Report – 31 March 2019 (Contd..)

(INR in lakhs)

Name of the Statute	Nature of the Dues	Amount Demanded	Amount not Deposited Under Disputes	Period to which amount relates	Forum where dispute is pending
		39.56	39.56	April 2015 to June 2017	Assistant Commissioner, Ahmedabad
		2.50	2.50	2012-13 to 2016-17	Assistant Commissioner, Ahmedabad
The West Bengal VAT Act, 2003	Tax, Penalty and Interest	57.55	57.55	2014-15	West Bengal Commercial Taxes Appellate and Revisional Board
		105.80	105.80	2009-10	West Bengal Commercial Taxes Appellate and Revisional Board
		430.01	430.01	2011-12	Dept. Commissioner Kolkata
		241.00	217.96	2015-16	CIT (Appeal)
Madhya Pradesh VAT Act, 2002	Tax, Penalty and Interest	171.43	171.43	2013-14	Additional Commissioner Appeals
		0.82	0.82	2014-15	Additional Commissioner Appeals
		15.30	11.47	2015-16	Additional Commissioner Appeals
Gujarat VAT Act, 2003		2.75	2.47	2013-14	Additional Commissioner Appeals
Maharashtra VAT Act, 2002		16.64	16.64	2012-13	Maharashtra VAT Tribunal
New Delhi VAT matter		489.10	469.10	2012-13 & 2013-14	Objection Hearing Authority Sales Tax department Delhi
Chhattisgarh VAT matter		17.36	14.76	2012-13	Appellate Authority
Income Tax Act, 1961		778.47	-	2006-07 to 2011-12	Income Tax Appellate Tribunal
		125.19	-	2009-10	Income Tax Appellate Tribunal
		19.70	-	2010-11	Income Tax Appellate Tribunal
		18.58	-	2004-05	Supreme Court

Annexure A to the Independent Auditors' Report – 31 March 2019 (Contd..)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to the financial institution, bank and dues to debenture holders. The Company did not have any outstanding loans and borrowings to Government during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they are raised.
- (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) According to the information and explanations given to us and based on our examination of the records of the Company, 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) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vikas R Kasat

Partner

Membership No: 105317

Mumbai
8 May 2019

Annexure B to the Independent Auditors' Report – 31 March 2019

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of JMC Projects (India) Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (' hereinafter referred to as 'the Act').

Auditors' Responsibility

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 and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors of the relevant branches and unincorporated joint ventures 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

Annexure B to the Independent Auditors' Report – 31 March 2019

Meaning of Internal Financial Controls with Reference to Financial Statements (Contd..)

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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 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.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to standalone financial statements in so far as it relates to overseas branches and unincorporated joint ventures which are incorporated in India is based on the corresponding reports of the auditors of such overseas branches and unincorporated joint ventures. Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
8 May 2019

Vikas R Kasat
Partner
Membership No: 105317

Standalone Balance Sheet

as at 31 March 2019

(Currency: Indian rupees in lakhs)

Particulars	Note	31 March 2019	31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	48,907.80	40,947.69
Capital work-in-progress	3	319.59	12.18
Investment property	4	82.13	82.13
Intangible assets	5 (a)	883.53	1,176.37
Intangible assets under development	5 (b)	-	-
Financial assets			
Investments	6 (a)	41,638.49	41,638.49
Trade receivables	6 (b)	3,336.78	2,595.90
Loans	6 (c)	1,129.41	701.53
Other financial assets	6 (e)	916.71	599.98
Deferred tax assets (net)	7	3,625.85	3,517.62
Other non-current assets	8	464.32	2,374.43
Total non-current assets	(A)	1,01,304.61	93,646.32
Current assets			
Inventories	9	24,805.91	19,229.12
Financial assets			
Trade receivables	6 (b)	92,260.82	73,575.00
Cash and cash equivalents	6 (d)	7,691.75	14,589.92
Bank balances other than above	6 (d)	8.53	7.66
Loans	6 (c)	35,299.47	30,943.91
Other financial assets	6 (e)	2,561.53	68,097.11
Current tax assets (net)	10	1,374.32	856.03
Other current assets	11	1,29,014.75	40,629.33
Total current assets	(B)	2,93,017.08	2,47,928.08
Total assets	(A+B)	3,94,321.69	3,41,574.40

Standalone Balance Sheet (Contd..)

as at 31 March, 2019

(Currency: Indian rupees in lakhs)

Particulars	Note	31 March 2019	31 March 2018
Equity and liabilities			
Equity			
Equity share capital	12(a)	3,358.10	3,358.10
Other Equity			
Reserves and surplus	12(b)	88,884.18	75,455.54
Other reserves	12(c)	85.49	85.49
Equity attributable to owners the Company	(A)	92,327.77	78,899.13
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13(a)	39,042.95	31,425.94
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13(d)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(d)	14,127.67	10,898.88
Other financial liabilities	13(c)	24.62	21.62
Provisions	14	4,607.17	4,243.27
Other non-current liabilities	15	39,203.24	43,433.45
Total non-current liabilities	(B)	97,005.65	90,023.16
Current liabilities			
Financial liabilities			
Borrowings	13(b)	26,789.00	33,655.31
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13(d)	1,168.00	793.14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(d)	1,16,053.44	82,064.58
Other financial liabilities	13(c)	33,531.26	27,056.55
Other current liabilities	15	26,761.65	28,415.22
Provisions	14	684.92	667.31
Total current liabilities	(C)	2,04,988.27	1,72,652.11
Total liabilities	(D = B+C)	3,01,993.92	2,62,675.27
Total equity and liabilities	(A+D)	3,94,321.69	3,41,574.40
Significant accounting policies	2		
Notes to the standalone financial statements	3 to 41		

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Vikas R Kasat

Partner

Membership No: 105317

Mumbai

8 May 2019

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

DIN : 03156123

Mumbai

8 May 2019

**For and on behalf of the Board of Directors of
JMC Projects (India) Limited**

CIN: L45200GJ1986PLC008717

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No. FCS-7520

Standalone Statement of Profit and Loss

for the year ended 31 March 2019

(Currency: Indian rupees in lakhs)

Particulars	Note	31 March 2019	31 March 2018
Continuing operations			
Revenue from operations	16	3,25,285.62	2,75,564.40
Other income	17	2,478.65	1,762.06
Total income		3,27,764.27	2,77,326.46
Expenses			
Cost of materials consumed	18	1,41,686.95	1,12,235.23
Employee benefits expense	19	30,255.51	26,639.14
Construction expense	21(a)	1,08,882.56	93,017.82
Finance costs	22	9,506.44	8,577.59
Depreciation and amortisation expense	20	7,813.01	7,165.29
Other expenses	21(b)	10,767.83	15,195.59
Total expenses		3,08,912.30	2,62,830.66
Profit from ordinary activities before tax from continuing operations		18,851.97	14,495.80
Tax expense	23		
- Current tax		4,691.04	3,713.30
- Deferred tax charge		(52.17)	169.77
Total tax expense		4,638.87	3,883.07
Profit for the year		14,213.10	10,612.73
Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment benefit obligations		(32.32)	(179.27)
(ii) Income tax relating to items that will not be reclassified to profit or loss		8.26	62.04
B. Items that will be reclassified to profit or loss			
(i) Exchange differences in translating foreign operations		731.33	56.57
(ii) Income tax relating to items that will be reclassified to profit or loss		(186.89)	(20.00)
Other comprehensive income for the year, net of tax		520.38	(80.66)
Total comprehensive income for the year		14,733.48	10,532.07
Earnings per equity share (Face Value per share INR 2 each)			
Basic earnings per share	30	8.47	6.32
Diluted earnings per share		8.47	6.32
Significant accounting policies	2		
Notes to the standalone financial statements	3 to 41		

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Vikas R Kasat

Partner

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Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No. FCS-7520

Standalone Statement of Cash Flows

for the year ended 31 March 2019

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Cash flow from operating activities		
Profit before tax from continuing operations	18,851.97	14,495.80
Profit before tax	18,851.97	14,495.80
Adjustments for:		
Depreciation and amortisation expense	7,813.01	7,165.29
Loss on sale of property, plant and equipment	199.81	47.48
Gain on disposal of property, plant and equipment	-	(455.76)
Sundry balances written back	(50.56)	(80.02)
Rent income	(472.80)	(344.25)
Provision for expected credit loss and others	85.72	6,305.92
Finance income (including fair value change in financial instruments)	(1,944.85)	(865.50)
Finance costs (excluding fair value change in financial instruments)	10,245.69	8,577.59
Net exchange differences	(2.46)	95.27
Operating profit before working capital adjustments	34,725.53	34,941.80
Adjustments for:		
Increase in trade payables	37,803.27	7,665.06
Increase in long-term provisions	270.70	184.00
Increase/(decrease) in short-term provisions	24.25	(887.45)
Increase in other current liabilities	2,122.53	23,867.51
(Decrease)/increase in other long-term liabilities	(3,485.95)	6,456.90
(Increase) in trade receivables	(19,381.22)	(11,518.05)
(Increase) in inventories	(5,576.79)	(3,684.77)
(Increase)/decrease in long-term loans and advances	(427.87)	440.72
(Increase) in short-term loans and advances	(252.95)	(1,412.47)
(Increase) in other current assets	(23,236.83)	(31,099.57)
Decrease in other non-current assets	1,193.92	2,858.11
Cash generated from operating activities	23,778.59	27,811.82
Income taxes paid, net of refund received	(5,193.03)	(2,229.83)
Net cash flows from operating activities	18,585.56	25,581.98
Cash flows from investing activities		
Acquisition of property, plant and equipment	(15,043.51)	(9,592.00)
Loans to related parties	(4,102.60)	(6,349.07)
Rent received	472.80	344.25
Proceeds from sale of property, plant and equipment	-	602.55
Interest received	1,741.67	865.50
Net cash (used in) investing activities	(16,931.64)	(14,128.77)

Standalone Statement of Cash Flows

(Contd..)

for the year ended 31 March 2019

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Cash flows from financing activities		
Proceeds from borrowings	19,132.50	16,511.23
Repayment of borrowings	(16,225.26)	(6,670.25)
Changes in unpaid dividend accounts	0.87	(0.10)
Interest paid (excluding fair value change in financial instruments)	(10,245.69)	(8,584.03)
Dividends paid to company's shareholders (including tax thereon)	(1,214.51)	(606.23)
Net cash flow (used in) / from financing activities	(8,552.09)	650.62
Net (decrease)/increase in cash and cash equivalents	(6,898.17)	12,103.84
Cash and cash equivalents at the beginning of the year	14,589.92	2,486.08
Cash and cash equivalents at end of the year	7,691.75	14,589.92

Notes:

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Statement of Cash Flows"
- 2) Reconciliation of cash and cash equivalents with the balance sheet:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents (refer note 6 (d))	7,691.75	14,589.92
Bank overdrafts	-	-
Balance as per statement of cash flows	7,691.75	14,589.92

Movement in borrowings

(Currency: Indian rupees in lakhs)

Particulars	31 March 2018	Cash Flows	Non-cash changes (Exchange rate difference)	31 March 2019
Long term borrowings	40,005.32	9,771.07	-	49,776.39
Short term borrowings	33,655.31	(6,863.84)	(2.47)	26,789.00
Total borrowings	73,660.63	2,907.23	(2.47)	76,565.39

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Vikas R Kasat

Partner

Membership No: 105317

Mumbai
8 May 2019**Shailendra Kumar Tripathi**

CEO & Dy. Managing Director

DIN : 03156123

Mumbai
8 May 2019For and on behalf of the Board of Directors of
JMC Projects (India) Limited

CIN: L45200GJ1986PLC008717

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No. FCS-7520

Standalone Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2019

A. Equity Share Capital*

(Currency: Indian rupees in lakhs)

Particulars	Amount
As at 31 March 2017	3,358.10
Additional equity share issued during 2017-18	-
As at 31 March 2018	3,358.10
Additional equity share issued during 2018-19	-
As at 31 March 2019	3,358.10

B. Other Equity*

(Currency: Indian rupees in lakhs)

Particulars	Attributable to owners of the Company						Total attributable to owners of the Company
	Securities Premium	Retained Earnings	Debt redemption reserve	General Reserves	Other reserves	Other comprehensive income	
Balance at 1 April 2017	35,332.22	25,788.02	-	4,640.38	85.49	(261.45)	65,615.19
Total comprehensive income for the year ended 31 March 2018							
Profit for the year	-	10,612.73	-	-	-	-	10,612.73
Other comprehensive income (net of tax)	-	-	-	-	(117.23)	36.57	(80.66)
Total comprehensive income	-	10,612.73	-	-	-	36.57	10,532.07
Transactions with owners in their capacity as owners:							
Dividends paid	-	(606.23)	-	-	-	-	(606.23)
Appropriations during the year	-	(225.00)	-	225.00	-	-	-
Balance at 31 March 2018	35,332.22	35,569.52	-	4,865.38	85.49	(224.88)	75,541.03

Standalone Statement of Changes in Equity (SOCIE) (Contd..)

for the year ended 31 March 2019

B. Other Equity* (Contd..)

(Currency: Indian rupees in lakhs)

Particulars	Attributable to owners of the Company						Total attributable to owners of the Company	
	Reserves and Surplus			Other comprehensive income				
	Securities Premium	Retained Earnings	Debt redemption reserve	General Reserves	Other reserves	Actuarial loss on Defined Plan Liability		Exchange differences of foreign operations
Balance at 1 April 2018	35,332.22	35,569.52	-	4,865.38	85.49	(86.70)	(224.88)	75,541.03
Total comprehensive income for the year ended 31 March 2019								
Profit for the year	-	14,213.10	-	-	-	-	-	14,213.10
Other comprehensive income (net of tax)	-	-	-	-	-	(24.06)	544.44	520.38
Total comprehensive income	-	14,213.10	-	-	-	(24.06)	544.44	14,733.48
Transactions with owners in their capacity as owners:								
Ind AS 115 - reversal of discounting of receivable & payable	-	(90.33)	-	-	-	-	-	(90.33)
Dividends paid (including tax thereon)	-	(1,214.51)	-	-	-	-	-	(1,214.51)
Appropriations during the year	-	(766.89)	541.89	225.00	-	-	-	-
Balance at 31 March 2019	35,332.22	47,710.89	541.89	5,090.38	85.49	(110.76)	319.56	88,969.67

*The above statement of changes in equity should be read in conjunction with the accompanying note 12 to the standalone financial statements.

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Vikas R Kasat

Partner

Membership No: 105317

Mumbai

8 May 2019

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

DIN : 03156123

For and on behalf of the Board of Directors of

JMC Projects (India) Limited

CIN: L45200GJ1986PLC008717

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No. FCS-7520

Notes to the Standalone Financial Statements

for the year ended 31 March 2019

JMC Projects (India) Limited ("the Company") was incorporated under the provision of the Companies Act, applicable in India on 5 June 1986. The Company is a public limited company incorporated and domiciled in India and has its registered office at A-104, Shapath, S.G.Road, Ahmedabad, Gujarat.

The equity shares of the Company are listed on Bombay Stock Exchange of India Limited (BSE) and National Stock Exchange of India Limited (NSE).

The company is primarily engaged in Engineering, Procurement and Construction (EPC) business.

1 Basis of preparation and measurement

(a) Statement of compliance

These Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The Standalone Financial Statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

These standalone financial statements were authorised for issue by the Company's Board of Directors on 8 May 2019.

Details of the Company's accounting policies are included in Note 2.

(b) Functional and presentation currency

These standalone financial statements are presented in Indian rupees (INR), which is the Company's functional currency. All financial information have been presented in Indian rupees (INR) all amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

(c) Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value; and
- defined benefit plans - plan assets measured at fair value

(d) Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates and judgements are:

- (i) Estimation of total contract revenue and costs for revenue recognition (Refer note 39)
- (ii) Estimation of useful life of property, plant and equipment and intangibles (Refer point 2 (I))
- (iii) Estimation of provision for defect liability period, onerous contracts and liquidated damages, if any (Refer note 29)
- (iv) Estimation of defined benefit obligation (Refer note 31)
- (v) Estimation of recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used (Refer note 7)
- (vi) Impairment of financial assets (i.e. expected credit loss on trade receivables and retention money receivable) (Refer note 35)

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

1 Basis of preparation and measurement (Contd..)

(d) Use of estimates and judgements (Contd..)

- (vii) Impairment of accrued value of work done (Refer note 35)
- (viii) Estimation on discounting of retention money payable (Refer note 35)

(e) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer (CFO).

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2 Significant accounting policies

(a) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The board of directors of the Company has appointed a management review committee which assesses the financial performance and position of the Company and makes strategic decisions. The management review committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer (CEO), the chief financial officer (CFO) and the manager for corporate planning. Refer note 36 for segment information presented.

Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

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

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(a) Segment reporting (Contd..)

- (ii) it is expected to be realised within twelve months from the reporting date;
- (iii) it is held primarily for the purposes of being traded; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Company's normal operating cycle;
- (ii) it is due to be settled within twelve months from the reporting date;
- (iii) it is held primarily for the purposes of being traded; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

(b) Foreign currency

(i) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in the statement of profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

The results and financial position of foreign operations related to branches (none of which has the currency of a hyperinflationary economy)

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(b) Foreign currency (Contd..)

(i) Foreign currency transactions (Contd..)

that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date.
- The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction, and
- All resulting exchange differences are recognised in foreign currency translation reserve (FCTR) through the other comprehensive income.

Exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(c) Revenue recognition

(i) Construction Revenue

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for construction of highways, water pipeline projects,

construction of residential & commercial buildings, and others. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The Company has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(c) Revenue recognition (Contd..)

(i) Construction Revenue (Contd..)

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the

customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Any variations in contract work, claims, incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

Operation and maintenance income

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

Multiple deliverable arrangements

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(c) Revenue recognition (Contd..)

(i) Construction Revenue (Contd..)

reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

Advances from customers, progress payments, amount due from and due to customers and retention money receivable

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract.

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (costs plus attributable profits) for the contract work performed till date.

Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

Revenue is net off taxes, duties and cess.

Revenue from contracts awarded to a Jointly Controlled Entity but executed by the Company under the arrangement with the Joint Venture Partner (being in substance in the nature of Jointly Controlled Operations, in terms of Ind AS Accounting Standard) is recognised on the same basis as similar contracts independently executed by the company.

(ii) Dividend Income

Dividend Income is accounted when the right to receive the same is established.

(iii) Interest Income or expenses

Interest income or expense is accounted basis effective interest rate (EIR).

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(c) Revenue recognition (Contd..)

(iv) Rental Income

Rental Income from investment property is recognised in standalone statement of profit and loss on straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

(d) Income tax

Income tax expense comprises of current and deferred tax. It is recognised in standalone statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in the standalone statement of profit and loss. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is a convincing evidence that the Company will pay normal tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(d) Income tax (Contd..)

(ii) Deferred tax (Contd..)

recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(e) Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is

reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's standalone balance sheet.

(iii) Lease payments

As a lessee

Payments made under operating leases are generally recognised in the standalone statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(e) Leases (Contd..)

(iii) Lease payments (Contd..)

a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the standalone balance sheet based on their nature.

(f) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, investment property, and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the standalone statement of profit and loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

(i) Inventories

Construction materials and spares, tools and stores, are stated at the lower of cost and net realisable value. Cost of construction materials comprises cost of purchases. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs (WAC) (Refer note 9). Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(i) Inventories (Contd..)

selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(j) Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the Management.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Classification and subsequent measurement

(i) Financial assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

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

Debt instruments at amortised cost

1. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
 - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - b) Contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
2. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.
3. Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognised in the standalone statement of profit and loss.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(j) Financial instruments (Contd..)

(i) Financial assets (Contd..)

Derecognition

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

1. The rights to receive cash flows from the asset have expired, or
2. The Company has transferred its rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its standalone balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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

basis that reflects the rights and obligations that the Company has retained.

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

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
2. Lease receivables.
3. Trade receivables
4. Accrued value of work done

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i. Trade receivables which do not contain a significant financing component.
- ii. Accrued value of work done which do not contain a significant financing component.
- iii. Retention money receivables.
- iv. All lease receivables resulting from transactions.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(j) Financial instruments (Contd..)

(i) Financial assets (Contd..)

since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

(ii) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

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

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

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading

and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the standalone statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the standalone statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(j) Financial instruments (Contd..)

(ii) Financial liabilities(Contd..)

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the standalone statement of profit and loss.

(k) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(l) Property, plant and equipment

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on

qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the standalone statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Class of assets	Useful life as per Schedule II
• Office building	60 years
• Store building	3 years
• Plant and equipment	10-15 years
• Furniture and fixtures	10 years
• Vehicles	8-10 years
• Office equipment	3-10 years
• Electrical installation	10 years

Small assets costing less than INR 20,000 are depreciated at 100% in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(l) Property, plant and equipment (Contd..)

expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/(losses).

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

(m) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Based on technical evaluation and consequent advice, the management believes a period of 25-40 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties using the straight-line method over their estimated useful lives.

Any gain or loss on disposal of an investment property is recognised in the standalone statement of profit and loss.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

(n) Intangible assets

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(n) Intangible assets (Contd..)

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Computer software 3-5 years

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method (EIR). Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a

prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the statement of profit and loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(q) Borrowing costs (Contd..)

the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

(r) Provisions

Provisions for legal claims, service warranties are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Employee benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled

wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period based on independent actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the standalone statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment benefits

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and
- (b) defined contribution plans such as provident fund and superannuation fund

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(s) Employee benefits (Contd..)

(iii) Post-employment benefits (Contd..)

period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Gratuity liability is covered by payment there of to Gratuity fund, the defined benefit plan under Group Gratuity Cash Accumulation Scheme of LIC of India under irrevocable trust. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the standalone statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (OCI). They are included in actuarial loss on defined plan liability in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds and employee state insurance corporation (ESIC) as per local regulations. The company also pays superannuation fund to LIC of India. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Employee options

The fair value of options granted under the Company's Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(s) Employee benefits (Contd..)

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) Statement of cash flows

The Company's statement of cash flows are prepared using the Indirect method, whereby profit / loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value. These also include bank overdrafts and cash credit facility that form an integral part of the Company's cash management.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(w) Statement of cash flows (Contd..)

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(x) Change in significant accounting policies

The Company has initially applied Ind AS 18 and Ind AS 11 from 1 April 2017. Due to the transition methods chosen by the Company in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced Ind AS 18 Revenue and Ind AS 11 Construction Contracts and related interpretations. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services.

The Company has applied Ind AS 115 using the cumulative effect method i.e. by recognising the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of equity at 1 April 2018. Therefore, the comparative information has not been restated and continues to be reported under Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

(y) Standards issued but not yet effective

- Ind AS 116, is applicable for financial reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. The Company is in the process of analysing the impact of new lease standard on its financial statements.

In addition to the above note 2(w), the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Company's financial statements:

- Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.
- Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular prepayable financial assets.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(y) Standards issued but not yet effective (Contd..)

- Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.
- Amendment to Ind AS 19, Employee Benefits
 - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions – i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment,

curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).

- Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.
- Amendments to Ind AS 28, Investments in Associates and Joint Ventures: When applying the equity method, a non-investment entity that has an interest in an investment entity associate or joint venture can elect to retain the fair value accounting applied by the associate or joint venture to its subsidiaries. Venture capital and other qualifying organizations can elect to measure investments in associates or joint ventures at fair value through profit or loss instead of applying the equity method. The amendments clarify that both these elections apply for each investment entity associate or joint venture separately.

(z) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted in the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

3 Property, plant and equipment

(Currency: Indian rupees in lakhs)

	Office Building	Store Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Electrical Installation	Total	Capital work-in-progress
Year ended 31 March 2018									
Gross carrying amount									
Balance at 1 April 2017	205.47	561.95	38,961.57	260.67	3,718.64	916.93	74.42	44,699.65	47.20
Exchange differences	-	(52.40)	(811.91)	(3.47)	(559.60)	(14.04)	-	(1,441.42)	(0.32)
Additions	1.30	1,004.10	10,013.42	651.37	312.14	657.03	162.28	12,801.64	12.13
Disposals	-	(0.67)	(1,708.86)	(0.04)	(20.07)	(1.02)	-	(1,730.66)	(46.83)
Balance as at 31 March 2018 (gross carrying amount)	206.77	1,512.98	46,454.22	908.53	3,451.11	1,558.90	236.70	54,329.21	12.18
Accumulated depreciation									
Opening accumulated depreciation	7.52	161.54	7,252.59	72.74	609.91	368.47	18.33	8,491.11	-
Depreciation for the year	3.77	233.52	5,660.33	98.55	581.97	336.02	30.07	6,944.23	-
On disposals	-	-	(1,569.55)	(0.03)	(13.31)	(0.97)	-	(1,583.86)	-
Exchange differences	-	(7.36)	(268.14)	(1.05)	(188.46)	(4.95)	-	(469.96)	-
Balance as at 31 March 2018 (accumulated depreciation)	11.29	387.70	11,075.23	170.22	990.11	698.57	48.40	13,381.52	-
Net carrying amount	195.48	1,125.28	35,378.99	738.31	2,461.00	860.33	188.30	40,947.69	12.18
Year ended 31 March 2019									
Gross carrying amount									
Balance at 1 April 2018	206.77	1,512.98	46,454.22	908.53	3,451.11	1,558.90	236.70	54,329.21	12.18
Exchange differences	-	-	87.29	0.07	64.20	1.23	-	152.79	0.19
Additions	14.00	5,386.78	9,544.26	81.42	169.88	389.10	42.87	15,628.31	319.59
Disposals	-	-	(1,002.06)	-	(96.43)	(0.43)	-	(1,098.92)	(12.37)
Balance as at 31 March 2019 (gross carrying amount)	220.77	6,899.76	55,083.71	990.02	3,588.76	1,948.80	279.57	69,011.39	319.59
Accumulated depreciation									
Opening accumulated depreciation	11.29	387.70	11,075.23	170.22	990.11	698.57	48.40	13,381.52	-
Depreciation for the year	3.78	499.65	5,950.47	125.19	492.31	400.57	31.09	7,503.06	-
On disposals	-	-	(731.17)	-	(70.15)	(0.41)	-	(801.73)	-
Exchange differences	-	-	7.30	(0.09)	13.51	0.02	-	20.74	-
Balance as at 31 March 2019 (accumulated depreciation)	15.07	887.35	16,301.83	295.32	1,425.78	1,098.75	79.49	20,103.59	-
Net carrying amount	205.70	6,012.41	38,781.88	694.70	2,162.98	850.05	200.08	48,907.80	319.59

For property, plant and equipment secured against borrowings, refer note 13 (a) and 13 (b) of the standalone financial statements.

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

4 Investment properties (at cost)

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Cost or deemed cost (gross carrying amount)		
Opening gross carrying amount / deemed cost	82.13	82.13
Additions	-	-
Balance as at 31 March (gross carrying amount)	82.13	82.13
Accumulated depreciation		
Opening accumulated depreciation	-	-
Depreciation for the year	-	-
Balance as at 31 March (accumulated depreciation)	-	-
Net carrying amount	82.13	82.13

Fair value

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Investment properties	1,443.02	1,319.94

Measurement of fair values

(i) Fair value hierarchy:

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

(ii) Valuation technique:

Valuation of the subject property has been done by Sales Comparison Method under Market Approach at each balance sheet date. A comparison is made for the purpose of valuation with similar properties that have recently been sold in the market and thus have a transaction price. The sales comparison approach is the preferred approach when sales data are available. Comparable properties are selected for similarity to the subject property considering attributes like age, size, shape, quality of construction, building features, condition, design, gentry, etc. Their sale prices are then adjusted for their difference from the subject property. Finally a market value for the subject property is estimated from the adjusted sales price of the comparable properties. Investment property comprises a number of vacant industrial land.

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

5 (a) Intangible assets

(Currency: Indian rupees in lakhs)

	Computer software
Year ended 31 March 2018	
Cost or deemed cost (gross carrying amount)	
Balance at 1 April 2017	403.91
Additions	1,130.03
Balance as at 31 March 2018 (gross carrying amount)	1,533.94
Accumulated depreciation	
Opening accumulated amortisation	136.51
Amortisation for the year	221.06
Balance as at 31 March 2018 (accumulated depreciation)	357.57
Net carrying amount	1,176.37
Year ended 31 March 2019	
Gross carrying amount	
Balance at 1 April 2018	1,533.94
Additions	17.11
Balance as at 31 March 2019 (gross carrying amount)	1,551.05
Accumulated depreciation	
Opening accumulated amortisation	357.57
Amortisation for the year	309.95
Balance as at 31 March 2019 (accumulated depreciation)	667.52
Net carrying amount	883.53

5 (b) Intangible assets under development

(Currency: Indian rupees in lakhs)

	Total
Year ended 31 March 2018	
Cost or deemed cost	
Balance at 1 April 2017	538.52
Additions	577.65
Disposals	(1,116.17)
Balance as at 31 March 2018	-
Year ended 31 March 2019	
Gross carrying amount	-
Balance at 1 April 2018	-
Additions	-
Disposals	-
Balance as at 31 March 2019 (gross carrying amount)	-

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

6 Financial assets

(a) Non-current investments

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Investment in equity instruments at amortised cost*		
Unquoted		
In equity shares of subsidiary companies, fully paid up		
- JMC Mining and Quarries Limited	50.00	50.00
500,000 (31 March 2018: 500,000) equity shares of INR 10/- each fully paid up		
- Brij Bhoomi Expressway Private Limited	2,275.71	2,275.71
22,757,050 (31 March 2018: 22,757,050) equity shares of INR 10/- each fully paid up		
Out of above		
(a) 11,606,070 (31 March 2018: 11,606,070) shares are pledged in favour of bankers of this subsidiary and,		
(b) 5,916,820 (31 March 2018: NIL) shares are pledged in favour of debenture trustee.		
- Wainganga Expressway Private Limited	3,030.81	3,030.81
30,000,000 (31 March 2018: 30,000,000) equity shares of INR 10/- each fully paid up		
Out of above 15,300,000 (31 March 2018: 15,300,000) shares are pledged in favour of bankers of this subsidiary.		
(Investment in equity instrument of Wainganga Expressway Private Limited includes INR 30.81 lakhs (31 March 2018: INR 30.81 lakhs) arising on initial recognition of financial guarantee, given by the company on behalf of Wainganga Expressway Private Limited, at fair value.)		
- Vindhyachal Expressway Private Limited	2,750.05	2,750.05
27,050,050 (31 March 2018: 27,050,050) equity shares of INR 10/- each fully paid up		
Out of above 13,795,500 (31 March 2018: 13,795,500) shares are pledged in favour of bankers of this subsidiary.		
(Investment in equity instrument of Vindhyachal Expressway Private Limited includes INR 45.04 lakhs (31 March 2018: INR 45.04 lakhs) arising on initial recognition of financial guarantee, given by the company on behalf of Vindhyachal Expressway Private Limited, at fair value.)		
Investments in Joint ventures*		
- Kurukshetra Expressway Private Limited	9,826.62	9,826.62
Investment in financial instrument representing subordinated debt of subsidiary companies**		
- Brij Bhoomi Expressway Private Limited	1,973.30	1,973.30
- Wainganga Expressway Private Limited	6,971.00	6,971.00
- Vindhyachal Expressway Private Limited	14,761.00	14,761.00
Total (equity instruments)	41,638.49	41,638.49
Total non-current investments	41,638.49	41,638.49
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	41,638.49	41,638.49
Aggregate amount of impairment in the value of investments	-	-

* In accordance with Section 186 of the Act read with the Companies (Meeting of Board and its powers) Rules, 2014, the details of investments made by the Company as at the reporting dates are stated above.

** As per the resolution passed by the board of directors on 7 February 2018, advance against equity of INR 23,705 lakhs which is convertible into fixed number of equity shares on mutual consent between the Company and its subsidiaries have been recorded as deemed investments.

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

6 Financial assets (Contd..)

(b) Trade receivables

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Trade receivables		
Debts outstanding over six months from due date of payment	14,102.02	17,648.43
Other debts includes retention money	79,156.70	58,420.85
Receivables from related parties	8,987.50	6,625.62
	1,02,246.22	82,694.90
Less: provision for expected credit loss	(6,648.62)	(6,524.00)
Total receivables	95,597.60	76,170.90
Non Current	3,336.78	2,595.90
Current	92,260.82	73,575.00

Break-up of security details

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,02,246.22	82,694.90
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Doubtful	-	-
Total	1,02,246.22	82,694.90
Provision for expected credit loss	(6,648.62)	(6,524.00)
Total trade receivables	95,597.60	76,170.90

- For terms and conditions of receivables owing from related parties, refer note 32 of standalone financial statements.
- For receivables secured against borrowings, refer note 13 (b) and 35 (C) of standalone financial statements.
- The Company exposure to credit and currency risks, and loss allowances related to receivables are disclosed in note 35 (A) (i) and 35 (A) (iii) of standalone financial statements .

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

6 Financial assets (Contd..)

(c) Loans

(Currency: Indian rupees in lakhs)

	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
To related parties:				
Loans to subsidiaries and Joint venture*	32,825.53	-	28,722.74	-
To parties other than related parties:				
Security deposits	2,473.94	1,129.41	2,221.17	701.53
Total loans	35,299.47	1,129.41	30,943.91	701.53

*Loans to subsidiaries and Joint venture

(Currency: Indian rupees in lakhs)

	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
- JMC Mining and Quarries Limited	71.20	-	71.20	-
- Brij Bhoomi Expressway Private Limited	3,081.74	-	2,996.74	-
- Wainganga Expressway Private Limited	7,233.31	-	6,803.31	-
- Vindhyachal Expressway Private Limited	6,141.85	-	5,054.61	-
- Kurukshetra Expressway Private Limited	16,297.43	-	13,796.88	-
Total	32,825.53	-	28,722.74	-

Break-up of security details

(Currency: Indian rupees in lakhs)

	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
Loans receivables considered good - secured	-	-	-	-
Loans receivables considered good - unsecured	35,299.47	1,129.41	30,943.91	701.53
Loans receivables which have significant increase in credit risk	-	-	-	-
Loans receivables - credit impaired	-	-	-	-
Doubtful	-	-	-	-
Total	35,299.47	1,129.41	30,943.91	701.53

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

6 Financial assets (Contd..)

(d) Cash and cash equivalents

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Balances with banks		
- in current accounts	7,543.12	14,355.05
- in demand deposits (with less than 3 months of remaining maturity)	111.95	180.76
Cash on hand	36.68	54.11
Total cash and cash equivalents	7,691.75	14,589.92

Bank balances other than above

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Bank balances other than above		
- Unpaid dividend accounts	8.53	7.66
Total bank balances other than above	8.53	7.66

(e) Other financial assets

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
Accrued interest on fixed deposits	78.02	-	33.78	6.13
Amount due from customers on construction contract (refer note 39)	-	-	26,377.65	-
Accrued value of work done (net of advances) (refer note 39)	-	-	40,958.70	-
Bank deposits (maturity more than 3 months)	2,483.51	916.71	1,947.12	593.85
	2,561.53	916.71	69,317.25	599.98
Less : Provision for expected credit loss on accrued value of work done	-	-	(1,220.14)	-
Total other financial assets	2,561.53	916.71	68,097.11	599.98

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

7 Deferred tax asset (net)

(Currency: Indian rupees in lakhs)

Particulars	1 April 2018	Recognised in profit or loss	Recognised in OCI	Other	31 March 2019
Deferred tax (liabilities)/ assets in relation to:					
Property, plant and equipment	101.61	161.08	-	-	262.69
Expenses deductible/ Income taxable in other accounting period	1,017.92	(25.86)	-	-	992.06
Provision for expected credit loss	2,292.43	30.87	-	-	2,323.30
Related to employee benefits	-	(8.26)	8.26	-	-
Fair value of financial assets and liabilities through profit and loss account	105.66	(105.66)	-	47.80	47.80
Tax assets	3,517.62	52.17	8.26	47.80	3,625.85

(Currency: Indian rupees in lakhs)

Particulars	1 April 2017	Recognised in profit or loss	Recognised in OCI	Other	31 March 2018
Deferred tax (liabilities)/ assets in relation to:					
Property, plant and equipment	131.40	(29.79)	-	-	101.61
Expenses deductible/ Income taxable in other accounting period	728.15	289.77	-	-	1,017.92
Provision for expected credit loss	977.33	1,315.10	-	-	2,292.43
Change in method of determining revenue	1,385.00	(1,385.00)	-	-	-
Impact of accounting of forward contract at fair value	0.17	(0.17)	-	-	-
Related to employee benefits	-	(62.04)	62.04	-	-
Fair value of financial assets and liabilities through profit and loss account	234.33	(128.67)	-	-	105.66
Other items	168.97	(168.97)	-	-	-
Tax assets	3,625.35	(169.77)	62.04	-	3,517.62

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

8 Other non-current assets

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Capital advances	151.14	550.60
Advances to suppliers	-	1,481.11
Prepaid expenses	313.18	342.72
Total other non-current assets	464.32	2,374.43

9 Inventories

(at lower of cost or net realisable value)

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018*
Construction material	22,548.55	17,759.10
Spares, tools and stores	2,257.36	1,470.02
Total inventories	24,805.91	19,229.12

*Change in method of valuation of inventories:

During the previous year, the Company had changed the method of inventory valuation from FIFO (First In First out) to Weighted Average method. As per the management estimate, the impact was immaterial, hence no effect were given in the previous year.

10 Current tax assets (net)

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Advance income tax (net of provision for tax INR 12,185.19 lakhs (31 March 2018 : INR 10,394.90 lakhs))	1,374.32	856.03
Total current tax assets (net)	1,374.32	856.03

11 Other current assets

(unsecured and considered good)

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Amount due from customers on construction contract (refer note 39)	32,349.59	-
Accrued value of work done (net of advances) (refer note 39)	67,600.81	-
Advance to suppliers	16,947.21	16,209.52
Advance GST / VAT / entry tax (net)	12,673.46	23,676.84
Prepaid expenses	887.78	492.25
Advances to employees	160.42	203.24
Cenvat credit receivable	2.62	-
Others	-	47.48
	1,30,621.89	40,629.33
Less : Provision for expected credit loss on accrued value of work done	(1,607.14)	-
Total	1,29,014.75	40,629.33

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

12 Equity share capital and other equity

(a) Equity share capital

Authorised equity share capital

(Currency: Indian rupees in lakhs)

	Number of shares (in lakh)	Amount
As at 1 April 2017	350.00	3,500.00
Increase during the year	-	-
As at 31 March 2018	350.00	3,500.00
Increase during the year	-	-
As at 31 March 2019*	1,750.00	3,500.00

(i) Movements in equity share capital

(Currency: Indian rupees in lakhs)

	Number of shares (in lakh)	Equity share capital (par value)
As at 1 April 2017	335.81	3,358.10
Increase during the year	-	-
As at 31 March 2018	335.81	3,358.10
Increase during the year	-	-
As at 31 March 2019*	1,679.05	3,358.10

*During the year, the Company with requisite approval in place has sub-divided the face value of equity shares of the Company from Rs. 10/- each to Rs. 2/- each. The Record date for the said sub-division was kept on 5 October 2018. Consequently, the Company has issued total 16,79,05,170 equity shares of Rs. 2/- each in lieu of 3,35,81,034 equity shares of Rs. 10/- each.

Terms and rights attached to equity shares :

The Company has only one class of equity shares having par value of INR 2/- per share (31 March 2018: INR 10/- per share). Each holder of equity shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Shares of the company held by holding company

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Kalpataru Power Transmission Limited	2,256.29	2,256.29

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

12 Equity share capital and other equity (Contd..)

(a) Equity share capital (Contd..)

(iii) Details of shareholders holding more than 5% shares in the company

(Currency: Indian rupees in lakhs)

	31 March 2019		31 March 2018	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Equity shares of INR 2/- each fully paid*				
Kalpataru Power Transmission Limited, the Holding Company	1,128.15	67.19%	225.63	67.19%
HDFC Trustee Company Limited	150.90	8.99%	30.18	8.99%

*During the year, the Company with requisite approval in place has sub-divided the face value of equity shares of the Company from Rs. 10/- each to Rs. 2/- each. The Record date for the said sub-division was kept on 5 October 2018. Consequently, the Company has issued total 16,79,05,170 equity shares of Rs. 2/- each in lieu of 3,35,81,034 equity shares of Rs. 10/- each.

(iv) Aggregate number of shares issued for consideration other than cash

(Currency: Indian rupees in lakhs)

	31 March 2019 Number of shares (in lakhs)	31 March 2018 Number of shares (in lakhs)
Aggregate number of shares issued for consideration other than cash	-	-

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

12 Equity share capital and other equity (Contd..)

(b) Reserves and surplus

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Securities premium	35,332.22	35,332.22
Debenture redemption reserve	541.89	-
Retained earnings	47,919.69	35,257.94
General reserves	5,090.38	4,865.38
Total reserves and surplus	88,884.18	75,455.54

(i) Securities premium

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Opening balance	35,332.22	35,332.22
Increase during the year	-	-
Closing balance	35,332.22	35,332.22

(ii) Debenture redemption reserve

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Opening balance	-	-
Transfer from profit and loss account (surplus)	541.89	-
Closing balance	541.89	-

(iii) Retained earnings

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Opening balance	35,257.94	25,557.10
Net profit for the year	14,213.10	10,612.73
Items of other comprehensive income		
- Remeasurements of post-employment benefit obligation, net of tax	(24.06)	(117.23)
- Exchange differences of foreign operations, net of tax	544.44	36.57
Ind AS 115 - reversal of discounting of receivable and payable	(90.33)	-
Transfer to general reserve	(225.00)	(225.00)
Transfer to debenture redemption reserve	(541.89)	-
Dividends paid (including tax thereon)	(1,214.51)	(606.23)
Closing balance	47,919.69	35,257.94

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

12 Equity share capital and other equity (Contd..)

(b) Reserves and surplus (Contd...)

(iv) General reserve

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Opening balance	4,865.38	4,640.38
Transfer from profit and loss account (surplus)	225.00	225.00
Closing balance	5,090.38	4,865.38

Nature and purpose of reserves

(i) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Debenture redemption reserve

The company is required to create a debenture redemption reserve out of the profits, which is available for payment of dividend for the purpose of redemption of debentures.

(iii) General reserve

General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

(c) Other reserves

(Currency: Indian rupees in lakhs)

	Amount
As at 1 April 2017	85.49
Increase during the year	-
As at 31 March 2018	85.49
Increase during the year	-
As at 31 March 2019	85.49

Nature and purpose of other reserves

Other reserves created on Guarantee commission charged on bank Guarantee provide by the holding Company on behalf of the Company.

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

13 Financial liabilities (Contd..)

(a) Non-current borrowings

(Currency: Indian rupees in lakhs)

	Maturity date	Terms of repayment	Coupon/ Interest rate	31 March 2019		31 March 2018	
				Non-current	Current	Non-current	Current
Secured							
Debentures							
1,500, 9.95% Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) of the face value of Rs. 1,000,000/- each.		Please refer note 13 (a) 1	9.95%	14,937.62	883.23	-	-
Term loans from banks							
Rupee loan							
- from banks		Please refer note 13 (a) 2		11,805.14	2,795.20	15,928.40	2,147.14
- from NBFC		Please refer note 13 (a) 3		8,725.90	4,400.58	9,268.85	3,794.34
Vehicle loans		Please refer note 13 (a) 4	9.40% to 10.75%	85.40	65.82	151.22	72.30
				35,554.06	8,144.83	25,348.47	6,013.78
Unsecured							
Term loans							
Rupee loan							
- from banks	30-Sep-21	Quarterly unequal instalments. Borrower has a right to prepay the facility anytime and lender has a right to recall the facility, after 5 years from the first drawdown date after 15 days notice.	Varying interest rate linked to base rate of Bank from time to time.	3,488.89	2,588.61	6,077.47	2,565.60
				3,488.89	2,588.61	6,077.47	2,565.60
Amount disclosed under the head "Other current financial liabilities"							
Current maturities of long-term debt (included in note 13 (c))					(9,841.49)		(8,579.38)
Interest accrued (included in note 13 (c))					(891.95)		-
				-	(10,733.44)	-	(8,579.38)
Total non-current borrowings				39,042.95	-	31,425.94	-

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

13 Financial liabilities (Contd..)

(a) Non-current borrowings (Contd..)

1 Debentures

- (a) 1,500, 9.95% Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) of the face value of Rs. 1,000,000/- (Rupees Ten Lakh Only) each, for an aggregate nominal value of Rs. 15,000 lakhs divided in Series I Debentures (300 Nos.), Series II Debentures (450 Nos.) and Series III Debentures (750 Nos.) on private placement basis. The said NCDs are listed on the Wholesale Debt Market segment of BSE Limited.

Due date and amount for the repayment of principal of Non-Convertible Debentures (NCDs) is as follows :

(Currency: Indian rupees in lakhs)

Particulars	(₹ in Lakhs)	Date
- 9.95% Series III NCDs issued on August 28, 2018	7,500	August 28, 2023
- 9.95% Series II NCDs issued on August 28, 2018	4,500	August 27, 2022
- 9.95% Series I NCDs issued on August 28, 2018	3,000	August 27, 2021

- (b) Interest on debentures is payable annually @ 9.95%. Accrued interest upto 31 March 2019 is INR 883.23 lakhs and the same is due on 28 August 2019.

- (c) Unamortised cost related to debenture of INR 62.38 lakhs has been reduced from the borrowings.

- (d) NCDs secured against 5,916,820 equity shares constituting 26% of the paid up equity capital of Brij Bhoomi Expressway Private Limited (refer note: 6(a))

December 2018 with 30 September 2022 as a date of maturity and interest payable on monthly basis at varying interest rate linked to 1 year MCLR.

- (iii) Term loan from a bank amounting to INR Nil (31 March 2018: INR 354.19 lakhs) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in equal quarterly instalments of INR 70.83 lakhs with 10 April 2018 as maturity date with varying interest rate linked to base rate of bank from time to time.

2 Rupee loans from banks

- (i) Term loan from a bank amounting to INR 1,829.65 lakhs (31 March 2018: INR 2,495.01 lakhs) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments with 30 September 2021 as maturity date with varying interest rate linked to base rate of bank from time to time.
- (ii) Term loan from a bank amounting to INR 12,487.49 lakhs (31 March 2018: INR 15,000.00 lakhs) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 unequal quarterly instalments to be paid at the end of each financial quarter, commencing from 31

- (iv) Term loan from a bank amounting to INR 153.80 lakhs (31 March 2018: INR 226.34 lakhs) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments ending in May 2021 with varying interest rate linked to base rate of bank from time to time.
- (v) Term loan from a bank amounting to INR 129.40 lakhs (31 March 2018: INR Nil) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments ending in January 2023 with varying interest rate linked to base rate of bank from time to time.

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

13 Financial liabilities (Contd..)

(a) Non-current borrowings (Contd..)

3 Rupee loans from NBFC

- (i) Term loan from NBFC amounting to INR 4,860.00 lakhs (31 March 2018: INR 6,930.00 lakh) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 18 unequal quarterly instalments to be paid at the end of each financial quarter, commencing from 29 September 2016 with 21 December 2020 as a date of maturity and interest payable on monthly basis at varying interest rate linked to base rate of NBFC from time to time.
- (ii) Term loan from NBFC amounting to INR 3,750.00 lakhs (31 March 2018: INR 5,000.00 lakh) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 equal quarterly instalments, commencing from June 2018 and ending in March 2022 as a date of maturity and interest payable on monthly basis at varying interest rate linked to base rate of NBFC from time to time.
- (iii) Term loan from NBFC amounting to INR 14.80 lakhs (31 March 2018: INR 180.43 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 36 equal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.
- (iv) Term loan from NBFC amounting to INR 405.25 lakhs (31 March 2018: INR 651.68 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 16 equal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.

- (v) Term loan from NBFC amounting to INR 114.27 lakhs (31 March 2018: INR 143.33 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 unequal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.
- (vi) Term loan from NBFC amounting to INR 126.94 lakhs (31 March 2018: INR 157.75 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 unequal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.
- (vii) Term loan from NBFC amounting to INR 1,355.22 lakhs (31 March 2018: INR Nil) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 equal quarterly instalments with interest payable quarterly at varying interest rate linked to base rate of NBFC from time to time.
- (viii) Term loan from NBFC amounting to INR 2,500.00 lakhs (31 March 2018: INR INR Nil) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 equal quarterly instalments, commencing from June 2020 and ending in March 2024 as a date of maturity and interest payable on monthly basis at varying interest rate linked to base rate of NBFC from time to time.

4 Vehicle loans

Loans of INR 151.22 lakhs (31 March 2018: INR 223.52 lakhs) are secured by way of charge on specific equipment and vehicles financed by them on different loans. Vehicle Loans is repayable in 60 monthly instalments beginning from the month subsequent to disbursement.

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

13 Financial liabilities (Contd..)

(b) Current borrowings

(Currency: Indian rupees in lakhs)

	Maturity date	Terms of repayment	Coupon/ Interest rate	31 March 2019	31 March 2018
Loans repayable on demand					
Secured					
From banks*	Roll over facility	Roll over working capital facility renewed annually	MCLR + Margin	26,789.00	33,655.31
Current borrowings				26,789.00	33,655.31

* Working Capital Loans are secured in favour of consortium bankers, by way of :

- (a) First charge against hypothecation of stocks, work in progress, stores and spares, bills receivables, book debts, cash and cash equivalents and other current assets.
- (b) Second charge on all movable Property, plant and equipments of the Company.
- (c) First charge on the office premises of the Company.

(c) Other financial liabilities

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Non-current		
Security deposit accepted	24.62	21.62
Total other non-current financial liabilities	24.62	21.62
Current		
Term loans from banks and NBFCs (refer note 13 (a) 1 and 13 (a) 2)	9,775.67	8,507.08
Loan against vehicles / equipment (refer note 13 (a) 3)	65.82	72.30
Interest accrued but not due on borrowings	891.95	-
Unclaimed dividend	8.53	7.66
Unclaimed matured fixed deposits and interest thereon	3.04	3.51
Security deposits	15,760.97	12,165.90
Payables for capital goods	3,483.91	2,939.36
Payable to employees (including provisions)	3,541.37	3,360.74
Total other current financial liabilities	33,531.26	27,056.55

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

13 Financial liabilities (Contd..)

(d) Trade payables

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Non-current		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,127.67	10,898.88
Total non-current trade payables	14,127.67	10,898.88
Current		
Acceptance	15,304.03	3,228.81
Total outstanding dues of micro enterprises and small enterprises (refer note 33)	1,168.00	793.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,00,749.41	78,835.77
Total current trade payables	1,17,221.44	82,857.72

14 Provisions

(Currency: Indian rupees in lakhs)

	31 March 2019			31 March 2018		
	Current	Non-current	Total	Current	Non-current	Total
Defect liability period expenses (refer note 29)	135.27	2,620.95	2,756.22	193.65	2,469.38	2,663.03
Provision for onerous contracts (refer note 29)	14.38	-	14.38	53.32	-	53.32
Provision for gratuity (refer note 31)	332.30	1,352.09	1,684.39	241.52	1,189.43	1,430.95
Leave obligations (refer note 31)	202.97	634.13	837.10	178.82	584.46	763.28
Total provisions	684.92	4,607.17	5,292.09	667.31	4,243.27	4,910.58

Notes to the Standalone Financial Statements (Contd..)

as at 31 March 2019

15 Other liabilities

(Currency: Indian rupees in lakhs)

	31 March 2019			31 March 2018		
	Current	Non-current	Total	Current	Non-current	Total
Amount due to customers under construction contracts (refer note 39)	6,910.97	-	6,910.97	8,165.18	-	8,165.18
Advance from clients	17,015.19	39,170.61	56,185.80	9,603.25	43,390.89	52,994.14
Deferred guarantee commission	9.70	32.63	42.33	10.22	42.56	52.78
Other statutory liabilities	2,443.50	-	2,443.50	9,601.26	-	9,601.26
Other current liabilities	375.23	-	375.23	836.16	-	836.16
Bank overdrafts with bank	7.06	-	7.06	199.15	-	199.15
Total	26,761.65	39,203.24	65,964.89	28,415.22	43,433.45	71,848.67

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

16 Revenue from operations

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Contract revenue	2,77,100.87	2,47,998.81
Accrued value of work done (uncertified bills)	48,184.75	27,565.59
Total revenue from continuing operations	3,25,285.62	2,75,564.40

17 Other income

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Interest income		
- from fixed deposits	900.35	85.07
- from others	1,044.50	780.43
Guarantee commission	10.45	16.53
Net gain on sale of Property, plant and equipment	-	455.76
Rent income	472.80	344.25
Liabilities written back	50.55	80.02
Total other income	2,478.65	1,762.06

18 Cost of materials consumed

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Raw materials at the beginning of the year	17,759.10	13,877.17
Add: Purchases during the year	1,48,605.43	1,17,463.16
Less: Scrap sales made during the year	(2,129.03)	(1,346.00)
Less: Raw material at the end of the year	(22,548.55)	(17,759.10)
Total cost of materials consumed	1,41,686.95	1,12,235.23

19 Employee benefit expense

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Salaries, wages and bonus	26,560.67	23,203.28
Contribution to provident fund and other statutory fund	2,207.15	1,889.06
Staff welfare expenses	1,487.69	1,546.80
Total employee benefit expense	30,255.51	26,639.14

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

20 Depreciation and amortisation expense

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Depreciation of property, plant and equipment (refer note 3)	7,503.06	6,944.23
Amortisation of intangible assets (refer note 5(a))	309.95	221.06
Total depreciation and amortisation expense	7,813.01	7,165.29

21 (a) Construction expenses

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Work charges	60,760.29	47,676.78
Composite work charges	18,222.00	20,674.94
Consumption of spares, tools and stores	2,241.03	1,794.65
Machinery - running and maintenance expenses	5,566.22	4,258.60
Electricity charges	2,030.00	2,030.73
Rent and hire charges	7,314.32	4,886.97
Security expenses	1,944.56	1,732.28
Site expenses	10,749.89	10,418.22
Provision for onerous contracts (refer note 29)	(38.94)	(901.94)
Defect liability period expenses (refer note 29)	93.19	446.59
Total construction expense	1,08,882.56	93,017.82

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

21 (b) Other expenses

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Building and general repairs	137.32	136.76
Vehicle maintenance charges	200.90	248.36
Travelling expenses	1,689.55	1,260.48
Conveyance expenses	100.52	89.51
Insurance charges	730.36	405.73
Printing and stationery expenses	267.82	242.18
Office rent	1,132.78	820.29
Office expenses	289.73	271.82
Postage and telephone charges	316.41	330.04
Professional and legal charges	1,903.99	1,648.50
Auditor's remuneration (refer note 21 (b) (i) below)	92.51	68.38
Rates and taxes	2,437.13	3,080.83
Advertisement expenses	38.31	33.98
Computer and IT expenses	842.90	486.97
Bank commission and charges	1,638.83	1,171.72
Training expenses	64.13	60.27
Loss on assets lost / sold	199.81	47.48
Exchange rate variation expense	(2,742.67)	(1,569.95)
Sitting fees and commission to non-executive directors	116.00	86.75
Provision for expected credit loss	393.64	4,639.19
Provision for expected credit loss on accrued value of work done	387.00	1,220.14
Corporate social responsibility expenditure (refer note 21 (b) (ii) below)	97.46	46.91
Sundry expenses	433.40	369.25
Total other expenses	10,767.83	15,195.59

(i) Details of payments to auditor's (excluding taxes)

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Payment to auditor's		
As auditor:		
Audit fee	55.00	46.00
In other capacities		
Certification fees	31.90	21.32
Re-imbursement of expenses	5.61	1.06
Total payments to auditors	92.51	68.38

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

21 (b) Other expenses (Contd..)

(ii) Corporate social responsibility expenditure

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
A. Gross amount required to be spent by the Company	91.53	42.06
B. Amount spent during the year on:		
(i) Construction/acquisition of any assets	-	-
(ii) On purpose other than (i) above	97.46	46.91
C. Related party transactions in relation to Corporate Social Responsibility	-	-

22 Finance costs

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Interest and finance charges on financial liabilities not at fair value through profit or loss	9,378.53	7,773.53
Other borrowing costs	(246.31)	559.81
Exchange differences regarded as an adjustment to borrowing costs	374.22	(320.36)
Interest on unwinding of discount	-	564.61
Total finance costs	9,506.44	8,577.59

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

23 Income tax expense

(a) Amounts recognised in the statement of profit and loss :

(Currency: Indian rupees in lakhs)

	31 March 2019	31 March 2018
Income tax expense		
Current tax		
Current tax on profits for the year	4,691.04	3,713.30
Total current tax expense	4,691.04	3,713.30
Deferred tax		
(Increase)/decrease in deferred tax assets	(52.17)	169.77
Total deferred tax expense	(52.17)	169.77
Income tax expense	4,638.87	3,883.07
Income tax expense is attributable to:		
Profit from continuing operations	4,638.87	3,883.07
	4,638.87	3,883.07

(b) Amounts recognised in other comprehensive income (OCI) :

(Currency: Indian rupees in lakhs)

	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability (asset)	(32.32)	8.26	(24.06)	(179.27)	62.04	(117.23)
Exchange difference in translating foreign operations	731.33	(186.89)	544.44	56.57	(20.00)	36.57
	699.01	(178.63)	520.38	(122.70)	42.04	(80.66)

(c) Reconciliation of income tax expenses with the accounting profit :

(Currency: Indian rupees in lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
	Amount	Amount
Profit before tax	18,851.97	14,495.80
Tax using the Company's domestic tax rate (34.94%) :	6,586.88	5,016.71
Tax effect of adjustment to reconcile reported income tax expenses		
Income exempt-share of profit/loss on investment in JV	30.83	9.91
Profit allowance claimed u/s 80IA of the Income-tax Act, 1961	(1,721.25)	(1,988.83)
Others	(257.59)	845.28
Income tax expenses recognised in the statement of profit and loss	4,638.87	3,883.07

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

24 Contingent liabilities in respect of

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
A. Bank guarantees	1.50	38.00
B. Guarantees given in respect of performance of contracts of subsidiaries and joint ventures in which Company is one of the member / holder of substantial equity	40,227.36	23,367.96
C. Guarantee given in favour of a subsidiary for loan obtained by them	2,768.00	3,753.00
D. Claims against the Company not acknowledged as debts	896.01	2,625.45
E. Show cause notice issued by service tax authorities	5,571.23	5,290.17
F. Trichy madurai road project royalty matter	39.87	39.87
G. Disputed income-tax demand in appeal before appellate authorities	797.05	797.05
H. Disputed income-tax demand of joint ventures in appeal before appellate authorities	144.90	143.90
I. Disputed VAT demand in appeal before appellate authorities	3,067.14	2,499.52

Note:

The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts. Accordingly, this has been disclosed as a Contingent liability in the financial statements.

- 25** The management is of the opinion that as on the date of balance sheet, there are no indications of a material impairment loss on Property, plant and equipment, hence the need to provide for impairment loss does not arise.

26 Capital and other commitments

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,225.59	2,921.97

- 27** In the management opinion, the assets other than Property, plant and equipment and non-current investments have a realisable value, in the ordinary course of business, approximately of the amount at which they are stated in these standalone financial statements.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

28 Lease transactions

The Company's significant leasing / licensing arrangements are mainly in respect of residential / office premises and equipment (operating lease). Lease agreements in respect of residential / office premises and equipment are cancellable and renewable by mutual consent on mutually agreed terms. The aggregate lease rental / hire charges payable on these premises / equipment are charged as rent and hire charges amounting to INR 2,931.94 lakhs (31 March 2018: INR 2,463.22 lakhs).

29 The disclosure in respect of provisions is as under :

(Currency: Indian rupees in lakhs)

Particulars	Defect liability period	Onerous contracts
Balance at 1 April 2017	2,445.72	955.26
Additions during the year	750.76	-
Utilisation during the year	(332.58)	-
Reversal (withdrawn as no longer required)	(200.87)	(901.94)
As at 31 March 2018	2,663.03	53.32
Additions during the year	762.22	168.84
Utilisation during the year	(326.29)	-
Reversal (withdrawn as no longer required)	(342.74)	(207.78)
As at 31 March 2019	2,756.22	14.38
Non- current	2,620.95	-
Current	135.27	14.38

Provision for defect liability period expense - The Company has made provision for expenses during defect liability period based on the defect liability period mentioned in contracts. The provision is based on the estimates made from historical data associated with similar project. The Company expects to incur the related expenditure over the defect liability period.

Provision for onerous contracts - The Company has a contract where total contract cost exceeds the total contract revenue. In such situation as per Ind AS 115 and Ind AS 37 the Company has to provide for these losses. The provision is based on the estimate made by the management.

30 Earning per share (EPS)*

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
i) Net profit after tax as per standalone statement of profit and loss attributable to equity shareholders (INR in lakhs)	14,213.10	10,612.73
ii) Weighted average number of equity shares used as denominator for calculating EPS (Nos.)	16,79,05,170	16,79,05,170
iii) Basic and diluted earnings per share (in INR)	8.47	6.32
iv) Face value per equity share (in INR)	2.00	2.00

*During the year, the Company with requisite approval in place has sub-divided the face value of equity shares of the Company from Rs. 10/- each to Rs. 2/- each. The Record date for the said sub-division was kept on 5 October 2018. Consequently, the Company has issued total 16,79,05,170 equity shares of Rs. 2/- each in lieu of 3,35,81,034 equity shares of Rs. 10/- each.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

31 Retirement benefits

a. Defined contribution plan

The Company makes contribution towards provident fund and superannuation fund which are defined contribution retirement plans for qualifying employees. The provident fund plan is operated by the regional provident fund commissioner and the superannuation fund is administered by the LIC. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement contribution schemes to fund benefits.

The Company recognised INR 1,206.57 lakhs (31 March 2018: INR 992.70 lakhs) for Provident Fund contributions and INR 61.83 lakhs (31 March 2018: INR 60.19 lakhs) for Superannuation contributions in the Statement of Profit and Loss. The contribution payable to these plans by the Company are at rates specified in the rules.

b. Defined benefit plan

The scheme provides for lump sum payment to vested employees at retirement, upon death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method as per actuarial valuation carried out at balance sheet date.

The following table sets out the funded status of the gratuity plan and the amount recognised in the company's standalone financial statements as at 31 March 2019.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

31 Retirement benefits (Contd..)

b. Defined benefit plan (Contd..)

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
i Change in benefit obligations:		
Projected benefit obligation at the beginning of the year	1,472.86	1,105.77
Service cost	248.10	270.88
Interest cost	96.69	68.90
Actuarial (gain) / loss		
- changes in demographic assumptions	-	-
- changes in financial assumptions	6.93	(24.10)
- experience adjustments	5.54	179.79
Benefits paid	(136.67)	(128.38)
Projected benefit obligation at the end of the year	1,693.45	1,472.86
ii Change in plan assets:		
Fair value of plan assets at the beginning of the year	41.91	132.05
Expected return on plan assets	3.67	11.82
Employer's contribution	120.00	50.00
Benefit paid	(136.67)	(128.38)
Actuarial gain / (loss)	(19.84)	(23.58)
Fair value of plan assets at the end of the year	9.07	41.91
iii Net gratuity cost for the year ended		
Service cost	248.10	270.88
Interest of defined benefit obligation	96.69	68.90
Expected return on plan assets	(3.67)	(11.82)
Net actuarial loss recognised in the year	32.32	179.27
Net gratuity cost	373.44	507.23
Actual return on plan assets	(16.17)	(11.76)
iv Amount recognised in the standalone balance sheet:		
Liability at the end of the year	1,693.45	1,472.86
Fair value of plan assets at the end of the year	9.07	41.91
Amount recognised in standalone balance sheet	1,684.38	1,430.95
v Assumptions used in accounting for the gratuity plan:		
Discount rate	7.20%	7.30%
Salary escalation rate	6.00%	6.00%
Expected rate of return on plan assets	7.20%	7.30%
Attrition rate	17.00%	17.00%

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

31 Retirement benefits (Contd..)

b. Defined benefit plan (Contd..)

Employee benefits

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Net defined benefit liability - gratuity	1,684.39	1,430.95
Total employee benefit liability	1,684.39	1,430.95
Non- current	1,352.09	1,189.43
Current	332.30	241.52

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	1,659.36	1,729.02	1,444.03	1,508.46
Salary escalation rate (0.50% movement)	1,723.59	1,664.26	1,499.75	1,446.77
Attrition rate (1% movement)	1,690.71	1,696.00	1,469.97	1,475.54

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Expected cash flow for the following years

Expected total benefits payments

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Year 1	341.37	283.43
Year 2	298.27	249.17
Year 3	301.35	274.33
Year 4	366.06	290.30
Year 5	383.51	357.07
Next 5 years	1,728.11	1,606.33

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

31 Retirement benefits (Contd..)

c. Compensated absence

Compensated absence for employee benefits of INR 837.10 lakhs for the period ended 31 March 2019 (31 March 2018 : INR 763.28 lakhs) expected to be paid in exchange for the services is recognised as an expense during the year and included in "Employee benefits expense" in the Standalone Statement of Profit and Loss. The following table provides details in relation to compensated absences.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Liability for compensated absences	837.10	763.28
Total employee benefit liability	837.10	763.28
Non- current	634.13	584.46
Current	202.97	178.82

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

32 Related party disclosure

Kalpataru Power Transmission Limited	Holding Company
Subsidiary, Fellow Subsidiary Companies	Nature of Relationship
JMC Mining and Quarries Limited	Subsidiary Company
Brij Bhoomi Expressway Private Limited	Subsidiary Company
Wainganga Expressway Private Limited	Subsidiary Company
Vindhyachal Expressway Private Limited	Subsidiary Company
Energylink (India) Limited	Subsidiary of Holding Company
Shree Shubham Logistics Limited	Subsidiary of Holding Company
Amber Real Estate Limited	Subsidiary of Holding Company
Adeshwar Infrabuild Limited	Subsidiary of Holding Company
Kalpataru Power Transmission Sweden AB (w.e.f 28 Jan 2019)	Subsidiary of Holding Company
Kalpataru Power Transmission (Mauritius) Limited	Subsidiary of Holding Company
Kalpataru Power Transmission - USA, INC.	Subsidiary of Holding Company
Alipurduar Transmission Limited	Subsidiary of Holding Company
LLC Kalpataru Power Transmission Ukraine	Subsidiary of Holding Company
Kalpataru Power DMCC, UAE	Subsidiary of Holding Company
Saicharan Properties Limited	Subsidiary of Holding Company
Kalpataru Metfab Private Limited	Subsidiary of Holding Company
Kalpataru Satpura Transco Private Limited	Subsidiary of Holding Company
Punarvasu Financials Services Private Limited	Subsidiary of Holding Company
Kalpataru IBN Omairah Company Limited	Subsidiary of Holding Company
Kohima Mariani Transmission Limited	Subsidiary of Holding Company
Joint Ventures (with whom transactions have taken place during the year)	Nature of Relationship
Kurukshetra Expressway Private Limited	Joint Venture
Key Managerial Personnel (KMP) (with whom transactions have taken place during the year)	Nature of Relationship
Mr. Shailendra Tripathi	CEO & Dy. Managing Director
Mr. Manoj Tulsian	Whole-time Director & CFO
Mr. D. R. Mehta	Non-Executive Director
Mr. Shailendra Raj Mehta	Non-Executive Director
Mr. Hemant Modi	Non-Executive Director
Ms. Anjali Seth	Non-Executive Director
Enterprises over which significant influence exercised with whom company has transactions (EUSI)	Nature of Relationship
Kalpataru Limited	Significant influence of KMP's
Kalpataru Properties Thane Private Limited	Significant influence of KMP's
Kiyana Ventures LLP	Significant influence of KMP's
Kalpataru Urbanscape LLP	Significant influence of KMP's
Agile Real Estate Private Limited	Significant influence of KMP's
Abacus Real Estate Real Private Limited	Significant influence of KMP's
Kalpataru Retail Ventures Private Limited	Significant influence of KMP's

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

32 Related party disclosure (Contd..)

(Currency: Indian rupees in lakhs)

Sr. No.	Particulars of Transactions with Related Parties	Holding Company	Subsidiary, Fellow Subsidiary Companies	Joint Ventures	KMP	EUSI
I. Transactions during the Year						
1	Guarantee commission expenses	- (11.26)	-	-	-	-
2	Other expenses	7.02	-	-	-	20.82
		-	-	-	-	(31.31)
3	Rent paid	121.49 (49.85)	-	-	-	776.39 (444.50)
4	Sub-contract charges paid	1,044.13 (1,956.12)	-	-	-	-
5	Other Income	116.03	-	-	-	-
		-	-	-	-	-
6	Contract revenue	-	-	-	-	17,570.12 (12,437.19)
7	Guarantee commission income	-	10.45 (13.48)	-	-	-
8	Managerial remuneration	-	-	-	756.98 (616.56)	-
		-	-	-	-	-
II. Balance as on 31 March 2019						
1	Trade receivables #	114.47 (66.25)	346.29 (346.29)	67.19 (67.58)	-	8,459.55 (6,162.44)
2	Liabilities at the end of the year	1,663.84 (1,819.16)	-	-	354.00 (261.34)	27.41 (485.16)
3	Loans and advances given	20.24 (23.44)	40,233.40 (38,707.01)	16,297.42 (13,796.88)	-	438.37 (161.00)
4	Advance taken from clients ^	-	3,644.11	-	-	2,275.37
		-	-	-	-	(990.42)
5	Investments	-	8,030.71 (8,030.71)	9,826.62 (9,826.62)	-	-
		-	-	-	-	-

Note:

Trade receivables

Trade receivables herein are gross amount before adjustment of advances received from clients

Terms and conditions of transactions with related parties - The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For year ended 31 March 2019, the company has not recorded any specific impairment of receivables relating to the amounts owned by related parties (31 March 2018: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

^ Advances taken from clients herein are gross amount before adjustment of trade receivables.

All balances outstanding with the related parties are unsecured.

Figures shown in brackets represent corresponding amounts of previous year.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

32 Related party disclosure (Contd..)

Key management personnel compensation comprised the following:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Short-term employee benefits	362.08	315.58
Post-employment benefits	28.90	25.89
Sitting fee	12.00	13.75
Commission	354.00	261.34
Total	756.98	616.56

The terms and conditions of transactions with related parties were no more favourable than those available, or which might be expected to be available, in similar transactions with non related parties on an arm's length basis.

33 Micro and small enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in the following disclosures:

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the standalone financial statement as at 31 March 2019 based on the information received and available with the Company. On the basis of such information, credit balance as at 31 March 2019 of such enterprises is INR 1,168.00 lakhs (31 March 2018: INR 793.14 lakhs). There are no dues on account of interest. Auditors have relied upon the information provided by the Company.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Principal amount remaining unpaid to any supplier at the end of each accounting year	1,105.30	793.14
Interest due thereon at the end of each accounting year	62.70	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of each accounting year, and	62.70	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

34 Information as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015, with regard to Loans to Subsidiaries which are without interest and having no repayment schedule are as under:

(Currency: Indian rupees in lakhs)

Subsidiary Companies	As at 31 March 2019	Maximum balance during the year	As at 31 March 2018	Maximum balance during the year
1 Brijbhoomi Expressway Private Limited	3,081.74	3,381.74	2,996.74	2,996.74
2 Wainganga Expressway Private Limited	7,233.31	7,233.31	6,803.31	6,803.31
3 Vindhyachal Expressway Private Limited	6,141.85	6,141.85	5,054.61	5,054.61
4 JMC Mining and Quarries Limited	71.20	71.20	71.20	71.20

Note :

- 1 For details of Investment made by the Company refer note : 6 (a). For details of guarantees given refer note : 24.
- 2 All the above loans and advances have been given for business purposes only.

35 Financial instruments – Fair values and risk management

A. Risk management framework

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and market risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company has exposure to the following risks arising from financial instruments :

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk (including currency and interest rate risk)

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes provision for expected credit loss and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(i) Credit risk (Contd..)

Summary of the Company's exposure to credit risk by age of the outstanding from various customers (including retention money) is as follows:

(Currency: Indian rupees in lakhs)

Particulars	Carrying amount	
	31 March 2019	31 March 2018
Neither past due nor impaired	2,656.11	31,104.75
Past due but not impaired		
Upto 180 days	59,557.72	37,494.57
From 181 days to 1 year	25,797.41	4,946.50
From 1 year to 2 years	7,501.87	5,790.56
From 2 year to 3 years	2,292.34	1,041.23
Above 3 years	4,440.77	2,317.29
	1,02,246.22	82,694.90

Expected credit loss assessment for customers as at the reporting date

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at 31 March 2019 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

On the above basis, the Company estimates the following provision matrix at the reporting date:

(a) Trade receivables

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
	Default rate	Default rate
Upto 180 days	0.21%	2.15%
From 181 days to 1 year	5.03%	33.10%
From 1 year to 2 years	16.56%	35.91%
From 2 year to 3 years	64.05%	59.77%
Above 3 years	100.00%	100.00%

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(i) Credit risk (Contd..)

(b) Retention debtors

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
	Default rate	Default rate
From 1 year to 2 years	6.24%	15.67%
From 2 year to 3 years	12.04%	21.61%
Above 3 years	19.31%	27.58%

Accrued value of work done

As at 31 March 2019 and 31 March 2018, the Company has accrued value of work done and amounts due on account of construction contracts. The Company has recognised a provision of INR 1,607.14 lakhs (31 March 2018: INR 1,220.14 lakhs).

The movement in the provision for expected credit loss in respect of trade receivables (including retention money) and accrued value of work done during the year is as follows:

(Currency: Indian rupees in lakhs)

Particulars	Trade receivables	Accrued value of work done
Balance as at 1 April 2017	2,824.00	-
Provision recognised	4,639.19	1,220.14
Amount utilised	(939.19)	-
Balance as at 31 March 2018	6,524.00	1,220.14
Provision recognised	393.64	387.00
Amount utilised	(269.02)	-
Balance as at 31 March 2019	6,648.62	1,607.14

*Includes retention money receivable

Cash and cash equivalents

The Company held cash and cash equivalents which comprises of :

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Balance with banks	7,655.07	14,535.81
Cash on hand	36.68	54.11
Total cash and cash equivalents	7,691.75	14,589.92

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(i) Credit risk (Contd..)

The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

Derivatives

The derivatives are entered into with credit worthy banks and financial institution as counterparties. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Guarantees

The Company's policy is to provide financial guarantee only for its subsidiaries' liabilities. At 31 March 2019 and 31 March 2018, the Company has issued guarantees to certain banks in respect of credit facilities granted to subsidiaries.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by the Company as at 31 March 2019 and 31 March 2018. The Company monitors the credit worthiness of such lessors where the amount of security deposit is material.

Loans, investments in group companies

The Company has given unsecured loans to its subsidiaries as at 31 March 2019 and 31 March 2018. The Company does not perceive any credit risk pertaining to loans provided to subsidiaries or the investment in such subsidiaries.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds in the form of loans from banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

As of 31 March 2019, the Company had working capital (Total current assets - Total current liabilities) of INR 88,028.81 lakhs including cash and cash equivalents of INR 7,691.75 lakhs. These cash and cash equivalents include investments in term deposits (i.e. bank certificates of deposits having original maturities of less than 3 months) of INR 111.95 lakhs. As of 31 March 2018, the Company had working capital of INR 75,275.97 lakhs, including cash and cash equivalents of INR 14,589.92 lakhs. These cash and cash equivalents include investments in term deposits (i.e. bank certificates of deposits having original maturities of less than 3 months) of INR 180.76 lakhs.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

* all non derivative financial liabilities

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(ii) Liquidity risk (Contd..)

* net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019					
	Contractual cash flows					
	Carrying amount	Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	76,565.39	83,763.44	37,792.27	17,876.91	28,094.26	-
Trade payables (dues of micro enterprises and small enterprises)	1,168.00	1,168.00	1,168.00	-	-	-
Trade payables (dues of creditors other than micro enterprises and small enterprises)	1,30,181.11	1,30,181.11	1,16,056.44	3,810.36	10,314.31	-
Other financial liabilities	22,822.44	22,822.44	22,797.82	24.62	-	-

(Currency: Indian rupees in lakhs)

Particulars	31 March 2018					
	Contractual cash flows					
	Carrying amount	Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	73,660.63	80,960.75	44,803.15	12,343.02	23,814.28	-
Trade payables (dues of micro enterprises and small enterprises)	793.14	793.14	793.14	-	-	-
Trade payables (dues of creditors other than micro enterprises and small enterprises)	92,963.46	92,963.46	82,064.58	3,270.89	7,627.99	-
Other financial liabilities	18,498.79	18,498.79	18,477.17	21.62	-	-

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, Ethiopian Birr and Sri Lankan Rupee against the respective functional currencies of the Company and its branches.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

(Currency: Indian rupees in lakhs)

Amounts in INR	31 March 2019			31 March 2018		
	USD	ETB	LKR	USD	ETB	LKR
Trade receivables	-	1,700.65	706.27	-	2,689.91	454.19
Payables for Capital Goods	-	(27.71)	-	-	(487.20)	(25.82)
Trade payables	(123.22)	(1,876.84)	(117.63)	(7,168.84)	(1,320.69)	(2,482.60)
Net statement of financial position exposure	(123.22)	(203.90)	588.64	(7,168.84)	882.02	(2,054.23)

FC Loans are hedged hence the net exposure would be NIL. Netted off against cross currency interest swap.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(iii) Market risk (Contd..)

(a) Currency risk (Contd..)

Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of balance sheet.

(Currency: Indian rupees in lakhs)

	Profit or loss	
	Strengthening	Weakening
Effect in INR lakhs		
31 March 2019		
USD	(12.32)	12.32
ETB	(20.39)	20.39
LKR	58.86	(58.86)
	26.15	(26.15)

(Currency: Indian rupees in lakhs)

	Profit or loss	
	Strengthening	Weakening
Effect in INR lakhs		
31 March 2018		
USD	(716.88)	716.88
ETB	88.20	(88.20)
LKR	(205.42)	205.42
	(834.10)	834.10

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions. The company manages its interest rate risk arising from foreign currency floating rate loans by using interest rate swaps as hedges of variability in cash flows attributable to interest rate risk.

For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 13 (a) & 13 (b) of these standalone financial statements.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(iii) Market risk (Contd..)

(b) Interest rate risk (Contd..)

Interest rate sensitivity - fixed rate instruments

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

(Currency: Indian rupees in lakhs)

	Profit or (loss)	
	100 bp increase	100 bp decrease
As at 31 March 2019		
Non-Convertible Debentures (NCDs)	(158.21)	158.21
Rupee Loans - From Banks	(146.00)	146.00
Rupee Loans - From NBFC's	(131.26)	131.26
Vehicle loans	(1.51)	1.51
Unsecured Loan - Rupee Loans - From Banks	(60.78)	60.78
Working Capital Loans Repayable on Demand from Banks	(267.89)	267.89
Sensitivity (net)	(765.65)	765.65

(Currency: Indian rupees in lakhs)

Particulars	Profit or loss	
	Strengthening	Weakening
As at 31 March 2018		
Rupee Loans - From Banks	(180.76)	180.76
Rupee Loans - From NBFC's	(130.63)	130.63
Vehicle loans	(2.24)	2.24
Unsecured Loan - Rupee Loans - From Banks	(86.43)	86.43
Working Capital Loans Repayable on Demand from Banks	(336.55)	336.55
Sensitivity (net)	(736.61)	736.61

(Note: The impact is indicated on the profit/loss and equity before tax basis).

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

B. Fair values

(i) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(Currency: Indian rupees in lakhs)

31 March 2019	Carrying amount of financial assets/ liabilities				Fair value			
	Amortised Cost	Fair value through profit or loss	Fair value through other comprehensive income	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Financial assets								
(i) Investments	41,638.49	-	-	41,638.49	-	-	41,638.49	41,638.49
(ii) Trade receivables	1,02,246.22	-	-	1,02,246.22	-	95,597.60	-	95,597.60
(iii) Loans	36,428.88	-	-	36,428.88	-	-	36,428.88	36,428.88
(iv) Cash and cash equivalents	7,691.75	-	-	7,691.75	-	-	7,691.75	7,691.75
(v) Bank balances other than above	8.53	-	-	8.53	-	-	8.53	8.53
(vi) Others	3,478.24	-	-	3,478.24	-	-	3,478.24	3,478.24
	1,91,492.11	-	-	1,91,492.11	-	95,597.60	89,245.89	1,84,843.49
Financial liabilities								
(i) Borrowings	76,565.39	-	-	76,565.39	-	-	76,565.39	76,565.39
(ii) Trade payables (dues of micro enterprises and small enterprises)	1,168.00	-	-	1,168.00	-	-	1,168.00	1,168.00
(iii) Trade payables (dues of creditors other than micro enterprises and small enterprises)	1,30,920.36	-	-	1,30,920.36	-	1,30,181.11	-	1,30,181.11
(iv) Other financial liabilities	22,822.44	-	-	22,822.44	-	-	22,822.44	22,822.44
	2,31,476.19	-	-	2,31,476.19	-	1,30,181.11	1,00,555.83	2,30,736.94

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

B. Fair values (Contd..)

(i) Accounting classification and fair values (Contd..)

(Currency: Indian rupees in lakhs)

31 March 2018	Carrying amount of financial assets/ liabilities				Fair value			
	Amortised Cost	Fair value through profit or loss	Fair value through other comprehensive income	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Financial assets								
(i) Investments	41,638.49	-	-	41,638.49	-	-	41,638.49	41,638.49
(ii) Trade receivables	83,300.35	-	-	83,300.35	-	76,170.90	-	76,170.90
(iii) Loans	31,645.44	-	-	31,645.44	-	-	31,645.44	31,645.44
(iv) Cash and cash equivalents	14,589.92	-	-	14,589.92	-	-	14,589.92	14,589.92
(v) Bank balances other than above	7.66	-	-	7.66	-	-	7.66	7.66
(vi) Others	68,697.09	-	-	68,697.09	-	-	68,697.09	68,697.09
	2,39,878.95	-	-	2,39,878.95	-	76,170.90	1,56,578.60	2,32,749.50
Financial liabilities								
(i) Borrowings	73,660.63	-	-	73,660.63	-	-	73,660.63	73,660.63
(ii) Trade payables (dues of micro enterprises and small enterprises)	793.14	-	-	793.14	-	-	793.14	793.14
(iii) Trade payables (dues of creditors other than micro enterprises and small enterprises)	94,468.51	-	-	94,468.51	-	92,963.46	-	92,963.46
(iv) Other financial liabilities	18,498.79	-	-	18,498.79	-	-	18,498.79	18,498.79
	1,87,421.07	-	-	1,87,421.07	-	92,963.46	92,952.56	1,85,916.02

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

B. Fair values (Contd..)

(ii) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Financial instruments measured at fair value

(Currency: Indian rupees in lakhs)

Type	Valuation technique
Retention receivables and payable	Discounted cash flow approach: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate

C. Master netting

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31 March 2019 and 31 March 2018.

(Currency: Indian rupees in lakhs)

Particulars	Effects of offsetting on the balance sheet	Related amounts not offset	
	Gross amounts	Financial instrument collateral	Net amount
31 March 2019			
Financial assets			
(i) Investments	41,638.49	-	41,638.49
(ii) Trade receivables	95,597.60	-	95,597.60
(iii) Cash and cash equivalents	7,691.75	(1,983.09)	5,708.66
(iv) Bank balances other than above	8.53	-	8.53
(v) Loans	36,428.88	-	36,428.88
(vi) Others	3,478.24	-	3,478.24
Total	1,84,843.49	(1,983.09)	1,82,860.40
Financial liabilities			
(i) Borrowings	76,565.39	(1,983.09)	74,582.30
(ii) Trade payables (dues of micro enterprises and small enterprises)	1,168.00	-	1,168.00
(iii) Trade payables (dues of creditors other than micro enterprises and small enterprises)	1,30,181.11	-	1,30,181.11
(iv) Other financial liabilities	22,822.44	-	22,822.44
Total	2,30,736.94	(1,983.09)	2,28,753.85

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

35 Financial instruments – Fair values and risk management (Contd..)

C. Master netting (Contd..)

(Currency: Indian rupees in lakhs)

Particulars	Effects of offsetting on the balance sheet	Related amounts not offset	
	Gross amounts	Financial instrument collateral	Net amount
31 March 2018			
Financial assets			
(i) Investments	41,638.49	-	41,638.49
(ii) Trade receivables	76,170.90	-	76,170.90
(iii) Cash and cash equivalents	14,589.92	(14,426.19)	163.73
(iv) Bank balances other than above	7.66	-	7.66
(v) Loans	31,645.44	-	31,645.44
(vi) Others	68,697.09	-	68,697.09
Total	2,32,749.50	(14,426.19)	2,18,323.31
Financial liabilities			
(i) Borrowings	73,660.63	(14,426.19)	59,234.44
(ii) Trade payables (dues of micro enterprises and small enterprises)	793.14	-	793.14
(iii) Trade payables (dues of creditors other than micro enterprises and small enterprises)	92,963.46	-	92,963.46
(iv) Other financial liabilities	18,498.79	-	18,498.79
Total	1,85,916.02	(14,426.19)	1,71,489.83

(a) Offsetting arrangements

(i) Derivatives

The Company enters into derivative contracts for hedging future sales. In general, under such agreements, the amounts owed by each counterparty on a single day in respect of all the transactions outstanding in the same currency are aggregated into a single net amount that is payable/receivable by one party to the other.

(ii) Short term borrowings are secured against the inventory, cash and cash equivalents and trade receivables.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

36 Operating segments

The Company is primarily engaged in the business of Engineering, Procurement & Construction (EPC) relating to infrastructure sector comprising of Buildings and Factories, Roads, Bridges, Water pipe lines, Metro, Power, Railways etc. Information reported to and evaluated regularly by the chief operating decision maker (CODM) for the purposes of resource allocation and assessing performance focuses on the business as a whole and accordingly, in the context of operating segment as defined under Indian Accounting Standard 108 "Operating Segments" there is a single reportable segment "Infrastructure EPC".

A. Geographical information

i) Revenue

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
India	3,14,983.01	2,55,301.75
All foreign countries		
Ethiopia	9,858.29	12,832.65
Sri Lanka	444.32	7,430.00
Total	3,25,285.62	2,75,564.40

ii) Non-current assets*

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
India	90,202.31	82,534.12
All foreign countries		
Ethiopia	4,019.00	4,778.25
Sri Lanka	120.67	220.42
Total	94,341.98	87,532.79

*Non-current assets exclude trade receivable, deferred tax assets and employee benefits assets.

B. Information about major customers

Revenues from one customer of India represented approximately INR 56,802.71 lakhs (31 March 2018: INR 41,720.97 lakhs) of the Company's total revenues.

37 Loans and borrowings

Breach of loan covenants

Under the terms of the major borrowing facilities, the company is required to comply with the few financial covenants. The company has complied with these covenants throughout the reporting period as at 31 March 2019.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

38 Proposed dividend

The Board of Directors at its meeting held on 8 May 2019 have recommended a payment of final dividend of INR 0.70/- per share (31 March 2018 : INR 3.00/- per share) of face value of INR 2.00/- each for the financial year ended 31 March 2019 (31 March 2018 : INR 10.00/- per share). The same amounts to INR 1,175.34 lakhs (31 March 2018 : 1,007.43 lakhs).

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

39 Disclosure as per Ind AS 115

(a) The Company undertakes Engineering, Procurement and Construction business. The type of work in the contracts with the customers involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc. The effect of initially applying Ind AS 115 on the Company's revenue from contracts with customers is described in Note 1. The Company has recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at 1 April 2018. Due to the transition method chosen in applying Ind AS 115, comparative information has not been restated to reflect the new requirements.

(b) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018*
Primary geographical markets		
India	3,14,983.01	2,55,301.75
Ethiopia	9,858.29	12,832.65
Sri Lanka	444.32	7,430.00
Total	3,25,285.62	2,75,564.40

*Company has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

39 Disclosure as per Ind AS 115 (Contd..)

(c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018*
Receivables which are included in Trade and other receivables		
Contract assets		
- Amount due from customers on construction contract	32,349.59	26,377.65
- Accrued value of work done net off provision	65,993.67	39,738.56
Contract liabilities		
- Amount due to customers under construction contracts	6,910.97	8,165.18
- Advance from clients	56,185.80	52,994.14

*Company recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at 1 April 2018.

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the period ended 31 March 2019 was impacted by an impairment charge of INR NIL. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Company's contract activity based on normal operating capacity.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

39 Disclosure as per Ind AS 115 (Contd..)

(c) Contract balances (Contd..)

Significant changes in contract asset and contract liabilities balances during the year are as follows:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019
(A) Due from contract customers:	
At the beginning of the reporting period (Para 116 (a))	26,377.65
Cost incurred plus attributable profits on contracts-in-progress	8,54,975.68
Progress billings made towards contracts-in-progress	(8,49,003.74)
Due from contract customers impaired during the reporting period (Para 118)	-
Significant change due to other reasons (Eg. Business acquisition etc.)	-
At the end of the reporting period (Para 116 (a))	32,349.59
(B) Due to contract customers:	
At the beginning of the reporting period (Para 116 (a))	(8,165.18)
Revenue recognised that was classified as due to contract customers at the beginning of the reporting period (Para 116 (b))	2,45,879.86
Progress billings made towards contracts-in-progress	(2,44,625.65)
Significant change due to other reasons (Para 118) (Eg. Business acquisition etc.)	-
At the end of the reporting period (Para 116 (a))	(6,910.97)
Total (A+B)	25,438.62

As on 31 March 2019, revenue recognised in the current year from performance obligations satisfied/ partially satisfied in the previous year is INR NIL

(d) Performance obligation

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for construction of highways, water pipeline projects, construction of residential & commercial buildings, and others. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations & maintenance etc.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to

each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

39 Disclosure as per Ind AS 115 (Contd..)

(d) Performance obligation (Contd..)

Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known.

Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at 31 March 2019:

(Currency: Indian rupees in lakhs)

Particulars	Mar-20	Mar-21	2022-2026	Total
Contract revenue	4,33,180.47	3,93,240.28	54,926.24	8,81,346.99
Total	4,33,180.47	3,93,240.28	54,926.24	8,81,346.99

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised as at 31 March 2019:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018*
Contract price of the revenue recognised	3,25,285.62	2,75,564.40
Add: Performance bonus	-	-
Add: Incentives	-	-
Less: Liquidated damages	-	-
Revenue recognised in the Statement of Profit and Loss	3,25,285.62	2,75,564.40

*Company has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

- (f) The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' effective 1 April 2018. The Company has elected the option of the modified retrospective approach and there is no material impact on the measurement of revenue and retained earnings as of 1 April 2018. The presentation of certain contract related balances have been changed for the current year only and the previous year balances continues to be disclosed as done in the previous year, in compliance with the requirements of Ind AS 115.

Notes to the Standalone Financial Statements (Contd..)

for the year ended 31 March 2019

40 Capital management

The Company's objectives when managing capital are to :

- (i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company monitors capital using a ratio of 'net debt' (total borrowings net of cash and cash equivalents) to 'total equity' (as shown in the balance sheet).

The Company's policy is to keep the ratio below 2.00. The Company's net debt to equity ratios are as follows.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Net debt (total borrowings including interest - cash and cash equivalents)	68,873.64	59,070.72
Total equity	92,327.77	78,899.13
Net debt to equity ratio	0.75	0.75

41 Regrouping and reclassification

The figures for the previous year regrouped/reclassified to correspond with current year's classification/ disclosure.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Vikas R Kasat

Partner

Membership No: 105317

Mumbai
8 May 2019

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

DIN : 03156123

Mumbai
8 May 2019

**For and on behalf of the Board of Directors of
JMC Projects (India) Limited**

CIN: L45200GJ1986PLC008717

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No. FCS-7520

Independent Auditor's Report

To the Members of
JMC Projects (India) Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of JMC Projects (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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, and its joint venture as at 31 March 2019, of its consolidated profit and other comprehensive income,

consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained and 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 opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (Contd..)

Key Audit Matters (Contd..)

Description of Key Audit Matters

Recognition of contract revenue, margin and related receivables

See Note 16 to the consolidated financial statements

The Key audit matters	How the matter was addressed in our audit
<p>The Group enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods.</p> <p>The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity's performance in transferring goods or services or if a contract is onerous, present obligations are recognised and measured as provisions.</p> <p>The Group is recognising contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard which relies on management's estimates of the final outcome of each contract, and involves the exercise of significant management judgment, particularly in forecasting the cost to complete a contract, in valuing contract variations, claims and liquidated damages.</p> <p>We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> - significant revenue recognised during the year; - significant accrued value of work done balances held at the year-end; or - low profit margins. • Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments. • Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, re-performance and inspection of evidence in respect of operations of these controls. • Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation. • Evaluated the outcome of previous estimates and agreeing the actual cost after the year end to the forecasted costs for the period. • Inquired with management on the progress of works and collections from customers to identify specific customers with which the company might have disagreements or disputes. • Evaluated the status of trade receivables on sample basis which are past due as at year end, the Group's on-going business relationship with customer and past payment history of the customers through discussion with management.

Independent Auditor's Report (Contd..)

Key Audit Matters (Contd..)

Description of Key Audit Matters (Contd..)

Income from toll collection

See Note 16 to the consolidated financial statements

The Key audit matters

The Group is also into a business of toll collection under service concession agreement, which is complex in nature and span over a number of reporting period. The right to collect toll is based on the number of vehicles passed from the toll assets. The process of identifying the usage charges is system driven based on the type / class of vehicles, distance etc. These are charged / billed by using complex IT software and hardware.

This is a key audit matter considering the nature and volume of transaction; and reliance on information technology systems for the related automated and IT dependent controls.

How the matter was addressed in our audit

In view of the significance of the matter the auditor of the subsidiary has reported that the following audit procedures in this area were applied, among others to obtain sufficient appropriate audit evidence:

- Understand the process and control placed for toll collection and evaluated the key controls around such processes and tested those controls for the operating effectiveness.
- Tested Information Technology General Controls (ITGCs) which supported the integrity of the tolling system operation, including access, operations and change management controls;
- Verified the reconciliation of toll collection as per transaction report (generated from toll system) with cash deposited in the designated bank account and revenue was as per the financial statements. Further, on sample basis verified the previous images and ensured that the charges were based on vehicle classification.
- Verified the exemptions and other dispensations allowed, as well as analysis of data for unusual transactions and examined the same.
- Performed the cut off procedures in relation to revenue to ensure the completeness of revenue.

Independent Auditor's Report (Contd..)

Key Audit Matters (Contd..)

Description of Key Audit Matters

Impairment Testing for Intangible Assets - Toll Collection Rights

See Note 5(a) to the consolidated financial statements

The Key audit matters

The Group has toll collection rights as intangible assets pursuant to the concession agreement. The carrying value of these rights acquired under BOT basis is being compared to the recoverable value (which is value in use in the instant case) thereof to ascertain if there is any impairment.

The process involves estimating the value in use of the asset which is determined by forecasting and discounting future cash flows. The same is sensitive to changes in discount rate, traffic growth rates, toll growth rates etc.

The determination of the recoverable amount of the toll collection right involves significant judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these rights.

Accordingly, the evaluation of impairment of toll collection rights has been determined a key audit matter.

How the matter was addressed in our audit

In view of the significance of the matter the auditor of the subsidiary has reported that the following audit procedures in this area were applied, among others to obtain sufficient appropriate audit evidence:

- Verified the appropriateness of the valuation methodology used in determining the recoverable amount. Further, evaluated the objectivity, independence and competence of specialists involved;
- Verified the assumptions used for the major components of the cash flow forecasts, discount rates, cost of capital, etc.;
- Evaluated the potential changes in major components as compared to previous year / actual performance in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable;
- Performed sensitivity analysis of key assumptions used in valuation; and
- Checked the arithmetical accuracy of the valuation model.

Provisioning towards Major Maintenance expense

See Note 30 to the consolidated financial statements

The Key audit matters

The Group is required to ensure maintenance of the project highway for which it has to carry out periodic major maintenance / resurfacing expenses as required under the concession agreement. The estimation of the likely amount to be incurred and the timing thereof involves calculation and judgement for assessing the provision towards resurfacing (as per Ind AS 37). Considering the amount and estimation involved, the same is considered as Key Audit Matter.

How the matter was addressed in our audit

In view of the significance of the matter the auditor of the subsidiary has reported that the following audit procedures in this area were applied, among others to obtain sufficient appropriate audit evidence:

The estimation made by the management have been verified w.r.t. compliance of the requirements of concession agreement, checked the arithmetical accuracy, verified the underlying assumptions and comparison with earlier years assumption etc. to check any material inconsistencies.

Independent Auditor's Report (Contd..)

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditors' 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 based on the work done/ audit report of other auditors, 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

The Holding Company's management and Board of Directors are 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 state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls,

that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company 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 (Holding Company and subsidiaries) and its joint venture or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of each company.

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

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.

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

Independent Auditor's Report (Contd..)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Contd..)

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 consolidated 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 (Company and subsidiaries) as well as joint venture to cease to continue as a going concern.
- 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 such entities or business activities within the Group and its joint venture to

express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. 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. Our responsibilities in this regard are further described in para (b) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraphs (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report (Contd..)

Other Matters

- a) We did not audit the financial statements of two branches and five unincorporated joint ventures included in the consolidated financial statements of the Holding Company whose standalone financial statements reflect total assets of ₹ 55,493 lakhs as at 31 March 2019 and total revenue of ₹ 37,668 lakhs for the year ended on that date, as considered in the consolidated financial statements. These branches and unincorporated joint ventures have been audited by the branch and unincorporated joint venture auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and unincorporated joint ventures, is based solely on the report of such branches and unincorporated joint ventures auditors.

The two branches located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such branches located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such branches located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

- b) We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of ₹ 166,694 lakhs as at 31 March 2019, total revenues of ₹ 15,602 lakhs and net cash flows amounting to ₹ 512 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of ₹ 2,050 lakhs for the year ended 31 March 2019, in respect of joint venture, whose financial statements have not been audited

by us. 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, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- 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.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

Independent Auditor's Report (Contd..)

Report on Other Legal and Regulatory Requirements (Contd..)

- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies and joint venture incorporated in India is disqualified as on 31 March 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 Holding Company, its subsidiary companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint venture as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its joint venture. Refer Note 25 to the consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 30 to the consolidated

financial statements in respect of such items as it relates to the Group and its joint venture;

- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture incorporated in India during the year ended 31 March 2019; and
 - iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.
- C. With respect to the matter to be included in the Audit Report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, and joint venture to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and joint venture is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
8 May 2019

Vikas R Kasat
Partner
Membership No: 105317

Annexure A to the Independent Auditor's Report - 31 March 2019

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of JMC Projects (India) Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its joint venture company, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and joint venture company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required

under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and joint venture company 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed

Annexure A to the Independent Auditor's Report - 31 March 2019 (Contd..)

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements (Contd..)

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 consolidated 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

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

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to consolidated financial statements in so far as it relates to four subsidiary companies, one joint venture company, five unincorporated joint ventures which are incorporated in India and two overseas branches is based on the corresponding reports of the auditors of such companies incorporated in India, and the auditors of those overseas branches. Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
8 May 2019

Vikas R Kasat
Partner
Membership No: 105317

Consolidated Balance Sheet

as at 31 March, 2019

(Currency: Indian rupees in lakhs)

Particulars	Note	31 March 2019	31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	49,051.96	41,111.47
Capital work-in-progress	3	319.59	12.18
Investment property	4	82.13	82.13
Intangible assets	5(a)	1,63,102.88	1,66,590.60
Intangible assets under development	5(b)	407.94	407.94
Financial assets			
Trade receivables	6 (a)	3,336.78	2,595.90
Loans	6 (b)	1,180.08	752.08
Other financial assets	6 (d)	916.71	599.98
Deferred tax assets	7	5,408.59	4,491.50
Other non-current assets	8	464.34	2,374.44
Total non-current assets	(A)	2,24,271.00	2,19,018.22
Current assets			
Inventories	9	24,817.07	19,240.27
Financial assets			
Trade receivables	6 (a)	92,552.20	73,916.96
Cash and cash equivalents	6 (c)	8,157.31	15,567.77
Bank balances other than above	6 (c)	8.53	7.66
Loans	6 (b)	18,771.36	16,018.05
Other financial assets	6 (d)	2,561.53	68,097.11
Current tax assets (net)	10	1,556.09	929.53
Other current assets	11	1,29,296.67	40,929.43
Total current assets	(B)	2,77,720.76	2,34,706.78
Total assets	(A+B)	5,01,991.76	4,53,725.00

Consolidated Balance Sheet (Contd..)

as at 31 March, 2019

(Currency: Indian rupees in lakhs)

Particulars	Note	31 March 2019	31 March 2018
Equity and liabilities			
Equity			
Equity share capital	12(a)	3,358.10	3,358.10
Other equity			
Reserves and surplus	12(b)	53,544.35	46,665.34
Other reserves	12(c)	86.56	86.56
Total equity	(A)	56,989.01	50,110.00
Liabilities			
Non - current liabilities			
Financial liabilities			
Borrowings	13(a)	1,25,098.40	1,22,392.92
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13(d)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(d)	14,127.67	10,898.88
Other financial liabilities	13(c)	35,598.43	35,228.97
Provisions	14	9,295.31	7,737.45
Deferred tax liabilities	7	1,325.80	1,280.37
Other non-current liabilities	15	42,936.93	43,390.88
Total non-current liabilities	(B)	2,28,382.54	2,20,929.47
Current liabilities			
Financial liabilities			
Borrowings	13(b)	26,789.00	33,655.31
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13(d)	1,168.00	793.14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(d)	1,16,102.93	82,065.80
Other financial liabilities	13(c)	39,031.10	33,109.58
Other current liabilities	15	27,194.58	28,794.97
Provisions	14	6,334.60	4,266.73
Total current liabilities	(C)	2,16,620.21	1,82,685.53
Total liabilities	(D= B+C)	4,45,002.75	4,03,615.00
Total equity and liabilities	(A+D)	5,01,991.76	4,53,725.00
Significant accounting policies	2		
Notes to the consolidated financial statements	3 to 43		

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

JMC Projects (India) Limited

CIN: L45200GJ1986PLC008717

Vikas R Kasat

Partner

Membership No: 105317

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

DIN : 03156123

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No: FCS-7520

Mumbai

8 May 2019

Mumbai

8 May 2019

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2019

(Currency: Indian rupees in lakhs)

Particulars	Note	31 March 2019	31 March 2018
Continuing operations			
Revenue from operations	16	3,40,722.44	2,88,813.85
Other income	17	2,633.77	1,757.88
Total income		3,43,356.21	2,90,571.73
Expenses			
Cost of materials consumed	18	1,41,686.95	1,12,235.23
Employee benefits expense	19	30,524.26	26,889.61
Construction expense	21(a)	1,12,069.36	96,042.69
Finance costs	22	23,080.37	22,407.18
Depreciation and amortisation expense	20	11,032.78	9,993.35
Other expenses	21(b)	11,373.81	15,683.50
Total expenses		3,29,767.53	2,83,251.56
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		13,588.68	7,320.17
Share of net loss of joint venture accounted for using the equity method	24	(2,049.75)	(2,270.52)
Profit before tax from continuing operations		11,538.93	5,049.65
Tax expense	23(a)		
- Current tax		4,691.04	3,713.30
- Deferred tax charge		(815.60)	(1,348.32)
Total tax expense		3,875.44	2,364.98
Profit for the year		7,663.49	2,684.67
Other comprehensive income	23(b)		
A. Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment benefit obligations		(32.32)	(179.27)
(ii) Income tax relating to items that will not be reclassified to profit or loss		8.26	62.04
B. Items that will be reclassified to profit or loss			
(i) Exchange differences in translating foreign operations		731.33	56.57
(ii) Income tax relating to items that will be reclassified to profit or loss		(186.89)	(20.00)
Other comprehensive income for the year, net of tax		520.38	(80.66)
Total comprehensive income for the year		8,183.87	2,604.01
Earnings per equity share (Face value per share INR 2 each)			
Basic earnings per share	32	4.56	1.60
Diluted earnings per share		4.56	1.60
Significant accounting policies	2		
Notes to the consolidated financial statements	3 to 43		

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

JMC Projects (India) Limited

CIN: L45200GJ1986PLC008717

Vikas R Kasat

Partner

Membership No: 105317

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

DIN : 03156123

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No: FCS-7520

Mumbai
8 May 2019Mumbai
8 May 2019

Consolidated Statement of Cash Flows

for the year ended 31 March 2019

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Cash flow from operating activities		
Profit before tax from continuing operations	11,538.93	5,049.65
Profit before tax	11,538.93	5,049.65
Adjustments for:		
Depreciation and amortisation expense	11,032.77	9,993.35
Finance costs (excluding fair value change in financial instruments)	19,607.37	18,155.96
Net exchange differences	(2.46)	95.27
Loss on sale of assets	199.81	47.48
Finance income (including fair value change in financial instruments)	(1,954.84)	(867.79)
Rent income	(472.80)	(344.25)
Provision for expected credit loss and others	95.65	6,305.92
Liabilities written back	(79.12)	(83.93)
Gain on disposal of property, plant and equipment	-	(455.76)
Share of loss from investment in joint venture	2,049.75	2,270.52
Major maintenance expenditure	899.01	813.94
Unwinding of discounting on provisions	4,212.25	4,065.08
Premium paid	-	(2,105.15)
Reclassification of intangible assets	-	867.59
Operating profit before working capital adjustments	47,126.32	43,807.88
Adjustments for:		
(Increase) in trade receivables	(19,330.68)	(11,587.08)
(Increase) in other current assets	(23,471.89)	(32,117.66)
Decrease in other non-current assets	764.46	2,859.24
(Increase) in inventories	(5,576.80)	(3,684.77)
Increase in trade payables	37,881.89	7,618.61
(Decrease)/ increase in long-term provisions	(2,747.57)	184.13
Increase in short-term provisions	1,175.49	1,562.60
Increase in other current liabilities	1,525.79	22,882.66
Increase in other long-term liabilities	646.82	9,807.73
Cash generated from operating activities	37,993.83	41,333.34
Income taxes paid, net of refund received	(5,301.31)	(2,168.69)
Net cash flows from operating activities	32,692.52	39,164.65
Cash flows from investing activities		
Acquisition of property, plant and equipment (including acquisition of intangible assets)	(15,762.42)	(9,607.31)
Proceeds from sale of property, plant and equipment	-	602.55
Loans to related parties	(2,500.36)	(6,349.07)
Share of loss from investment in joint venture	(2,049.75)	(2,270.52)
Interest received	1,751.66	867.79
Rent received	472.83	344.23
Net cash (used in) investing activities	(18,088.04)	(16,412.33)

Consolidated Statement of Cash Flows

(Contd..)

for the year ended 31 March 2019

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Cash flows from financing activities		
Proceeds from borrowings	19,189.49	18,216.23
Repayment of borrowings	(20,383.42)	(9,135.24)
Changes in unpaid dividend accounts	0.87	(0.10)
Interest paid (excluding fair value change in financial instruments)	(19,607.37)	(18,365.06)
Dividends paid to Company's shareholders (including tax thereon)	(1,214.51)	(606.23)
Net cash (used in) financing activities	(22,014.94)	(9,890.40)
Net (decrease)/ increase in cash and cash equivalents	(7,410.46)	12,861.92
Cash and cash equivalents at the beginning of the year	15,567.77	2,705.85
Cash and cash equivalents at end of the year	8,157.31	15,567.77

Notes:

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Statement of Cash Flows".
- 2) Reconciliation of cash and cash equivalents with the balance sheet:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents (refer note 6 (d))	8,157.31	15,567.77
Bank overdrafts	-	-
Balances per statement of cash flows	8,157.31	15,567.77

Movement in borrowings

(Currency: Indian rupees in lakhs)

Particulars	31 March 2018	Cash Flows	Non-cash changes (Exchange rate difference)	31 March 2019
Long term borrowing.	1,35,241.05	5,669.92		1,40,910.97
Short term borrowings	33,655.31	(6,868.77)	2.46	26,789.00
Total borrowings	1,68,896.36	(1,198.85)	2.46	1,67,699.97

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

JMC Projects (India) Limited

CIN: L45200GJ1986PLC008717

Vikas R Kasat

Partner

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Shailendra Kumar Tripathi

CEO & Dy. Managing Director

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Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No: FCS-7520

Mumbai
8 May 2019Mumbai
8 May 2019



Consolidated Statement of Changes in Equity

for the year ended 31 March 2019

A. Equity Share Capital*

(Currency: Indian rupees in lakhs)

Particulars	Amount
As at 31 March 2017	3,358.10
Additional equity share issued during 2017-18	-
As at 31 March 2018	3,358.10
Additional equity share issued during 2018-19	-
As at 31 March 2019	3,358.10

B. Other Equity*

(Currency: Indian rupees in lakhs)

Particulars	Attributable to owners of the Company						Total other equity attributable to owners of the company
	Securities Premium	Retained Earnings	Debt redemption reserve	General Reserves	Other reserves	Other Comprehensive Income Actural loss on Defined Plan Liability	
Balance at 1 April 2017	35,331.64	4,892.60	-	4,673.30	86.56	30.93	44,753.57
Total comprehensive income for the year ended 31 March 2018						(261.45)	
Profit for the year	-	2,684.67	-	-	-	-	2,684.67
Other comprehensive income (net of tax)	-	-	-	-	-	(116.66)	(80.09)
Total comprehensive income	-	2,684.67	-	-	-	36.57	2,604.58
Transactions with owners in their capacity as owners:							
Dividends paid (including tax thereon)	-	(606.23)	-	-	-	-	(606.23)
Appropriations during the year	-	(225.00)	-	225.00	-	-	-
Balance at 31 March 2018	35,331.64	6,746.04	-	4,898.30	86.56	(85.73)	46,751.93

Consolidated Statement of Changes in Equity (Contd..)

for the year ended 31 March 2019

B. Other Equity* (Contd..)

Particulars	Attributable to owners of the Company							Total other equity attributable to owners of the company
	Reserves and Surplus			Other Comprehensive Income				
	Securities Premium	Retained Earnings	Debenture redemption reserve	General Reserves	Other reserves	Acturial loss on Defined Plan Liability	Exchange differences of foreign operations	
Balance at 1 April 2018	35,331.64	6,746.04	-	4,898.30	86.56	(85.73)	(224.88)	46,751.93
Total comprehensive income for the year ended 31 March 2019								
Profit for the year	-	7,663.49	-	-	-	-	-	7,663.49
Other comprehensive income	-	-	-	-	-	(24.06)	544.44	520.38
Total comprehensive income	-	7,663.49	-	-	-	(24.06)	544.44	8,183.87
Transactions with owners in their capacity as owners:								
Ind AS 115 - reversal of discounting of receivable & payable	-	(90.38)	-	-	-	-	-	(90.38)
Dividends paid (including tax thereon)	-	(1,214.51)	-	-	-	-	-	(1,214.51)
Appropriations during the year	-	(766.89)	541.89	225.00	-	-	-	-
Balance at 31 March 2019	35,331.64	12,337.75	541.89	5,123.30	86.56	(109.79)	319.56	53,630.91

*The above statement of changes in equity should be read in conjunction with the accompanying note 12 to the consolidated financial statements.

The accompanying notes form an integral part of these consolidated financial statements.
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vikas R Kasat

Partner

Membership No: 105317

Mumbai

8 May 2019

For and on behalf of the Board of Directors of

JMC Projects (India) Limited

CIN: L45200GJ1986PLC008717

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

DIN : 03156123

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No: FCS-7520

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

Corporate Information

These consolidated financial statements comprise standalone financial statements of JMC Projects (India) Limited ("the Company" or "the Parent Company") and its subsidiaries (collectively referred to as "the Group") and the Group's interest in joint ventures for the year ended 31 March 2019. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on Bombay Stock Exchange of India Limited (BSE) & National Stock Exchange of India Limited (NSE). The registered office of the Company is located at A104, Shapath, S.G.Road, Ahmedabad, Gujarat.

The Group is primarily engaged in EPC (Engineering, Procurement and Construction) business and also having BOOT (build, own, operate and transfer) projects. Information on the Groups structure and information on other related party relationship of the Group is provided in Note 34.

1 Basis of preparation and measurement

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 8 May 2019.

Details of the Group's accounting policies are included in Note 2.

(b) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All the financial information have been presented in Indian Rupees (INR) all amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

(c) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value; and
- defined benefit plans - plan assets measured at fair value

(d) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates and judgements are:

- (i) Estimation of total contract revenue and costs for revenue recognition (Refer note 41)
- (ii) Estimation of useful life of property, plant and equipment and intangibles (Refer point 2 (I))
- (iii) Estimation of provision for defect liability period, liquidated damages and onerous contracts, if any (Refer note 30)
- (iv) Estimation of defined benefit obligation (Refer note 33)

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

1 Basis of preparation and measurement (Contd...)

(d) Use of estimates and judgements (Contd..)

- (v) Estimation of revenue estimates for amortisation of intangible assets (Refer point 2 (n))
- (iv) Estimation of major maintenance provision (Refer note 30)
- (vi) Impairment of financial assets (i.e expected credit loss on trade receivables and retention money receivable) (Refer note 36)
- (vii) Impairment on accrued value of work done (Refer note 36)
- (viii) Estimation on discounting of retention money payable (Refer note 36)

(e) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Consolidation procedure:

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

1 Basis of preparation and measurement (Contd..)

(e) Principles of consolidation and equity accounting (Contd..)

and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

(ii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the consolidated financial statements under the appropriate headings.

Joint ventures

The Group's interests in joint ventures are accounted for using the equity method (see (iii) below), after initially being recognised at cost in the consolidated balance sheet. Details of the joint venture are set out in note 24.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the

acquisition date and the Group's share of other comprehensive income. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities until the date on which significant influence or joint control ceases.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of the Group.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as a joint venture or financial asset.

(iv) Transactions eliminated on consolidation

Inter-group balances and transactions, and any unrealised income and expenses arising from inter-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the Investment to the extent of the Group's interest in

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

1 Basis of preparation and measurement (Contd..)

(e) Principles of consolidation and equity accounting (Contd..)

the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2 Significant accounting policies

(a) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Board Of Directors of Group has appointed a management review committee which assesses the financial performance and position of the group, and makes strategic decisions. The management review committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning of the Parent Company.

(b) Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

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

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- (ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Group's normal operating cycle;
- (ii) it is due to be settled within twelve months from the reporting date;
- (iii) it is held primarily for the purposes of being traded; or
- (iv) the Group does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current - non-current classification of assets and liabilities.

(c) Foreign currency

(i) Functional and presentation currency

Items included in the consolidated financial statements of Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(c) Foreign currency (Contd..)

(i) Functional and presentation currency (Contd..)

are presented in Indian rupee (INR), which is also the Group's functional and presentation currency.

(ii) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the

equity investments classified as fair value through OCI (FVOCI) which is recognised in OCI.

(iii) Foreign operations

The results and financial position of foreign operations related to branches (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date.
- The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction, and
- All resulting exchange differences are recognised in foreign currency translation reserve (FCTR) through the consolidated Other Comprehensive Income.

Exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain/(loss) on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(d) Revenue recognition

(i) Construction Revenue

The Group undertakes Engineering, Procurement and Construction (EPC) business and also having BOOT (build, own, operate and transfer) projects. The ongoing contracts with customers

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(d) Revenue recognition (Contd..)

(i) Construction Revenue (Contd..)

are for construction of highways, water pipeline projects, construction of residential & commercial buildings, and others. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations & maintenance etc. The Group has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The Company has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115: Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Company performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration. If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognises the entire estimated loss in the period the loss becomes known.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(d) Revenue recognition (Contd..)

(i) Construction Revenue (Contd..)

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability. Any variations in contract work, claims, incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Group.

Operation and maintenance income

The Group recognises revenue from Operations & Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

Multiple deliverable arrangements

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item.

The Group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Group provides a significant

integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Group enters into multiple contracts with the same customer, the Group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

Advances from customers, progress payments, amount due from and due to customers and retention money receivable

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract. Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed. Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred. Amounts due to contract customers represents the excess of progress billings over the revenue recognised (costs plus attributable profits) for the contract work performed till date. Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

Revenue is net off taxes, duties and cess.

Revenue from contracts awarded to a Jointly Controlled Entity but executed by the Company under the arrangement with the Joint Venture Partner (being in substance in the nature of Jointly Controlled Operations, in terms of Ind AS

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(d) Revenue recognition (Contd..)

(i) Construction Revenue (Contd..)

Accounting Standard) is recognised on the same basis as similar contracts independently executed by the company.

(ii) Service concession arrangement

Concession arrangements are recognised in accordance with Appendix C of Ind AS 115, Service Concession Arrangements. It is applicable to concession arrangements comprising a public service obligation and satisfying all of the following criteria:

- the concession grantor controls or regulates the services to be provided by the operator using the asset, the infrastructure, the beneficiaries of the services and prices applied;
- the grantor controls the significant residual interest in the infrastructure at the end of the term of the arrangement. As per Ind AS 115, such infrastructures are not recognised in assets of the operator as property, plant and equipment but in financial assets ("financial asset model") and/or intangible assets ("intangible asset model") depending on the remuneration commitments given by the grantor. The intangible asset model applies where the operator is paid by the users or where the concession grantor has not provided a contractual guarantee in respect of the recoverable amount. The intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of the public service in remuneration of concession services. Intangible assets resulting from the application of appendix C of Ind AS 115 are recorded in the financial statements as intangible assets and are amortised using revenue based amortisation method. Based on the above parameter, in case of the Group, Intangible asset model is adopted.

Under the intangible asset model, revenue includes:

- construction or upgrade services provided under a service concession arrangement, recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are provided by the Group;
- charges collected from users on the basis of usage of the toll. Toll Revenue in the form of periodic pass(es) are accounted for as income in the period in which the same are received.

(iii) Dividend Income

Dividend income is accounted when the right to receive the same is established.

(iv) Interest Income or expenses

Interest income or expense is accounted basis effective interest rate (EIR).

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to: (a) the gross carrying amount of the financial asset; or (b) the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(v) Government grants

Government grants are recognised initially as deferred income at fair value when there is

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(d) Revenue recognition (Contd..)

(v) Government grants (Contd..)

reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other operating revenue on a systematic basis. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other operating revenue on a systematic basis in the periods in which such expenses are recognised.

(vi) Rental Income

Rental Income from investment property is recognised in statement of profit and loss on straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

(e) Income 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 joint venture company 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. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current

tax in the consolidated statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as a deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

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 recognised 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 asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches 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 recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, 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 utilised.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(e) Income tax (Contd..)

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 or directly in equity, respectively.

(f) Leases

As a lessee

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(g) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(g) Business combinations (Contd..)

are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the statement of profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

(h) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment of assets and if any indication exists, the recoverable value of such assets is estimated. An impairment loss is recognised when the carrying cost of assets exceeds its recoverable value. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not

exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired, if any indication exists or when annual impairment testing for an asset is required, the Group estimates the assets recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are generally independent of those from other asset, or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted in their present value using a pre tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long time growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budget/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long term average growth rate for the products, industries or country or countries in which the entry operates or for market in which asset is used.

(i) Cash and cash equivalents

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

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(i) Cash and cash equivalents (Contd..)

in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) Inventories

Construction materials and spares, tools and stores, are stated at the lower of cost and net realisable value. Cost of construction materials comprises cost of purchases. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs (WAC) (Refer note 9). Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(k) Financial Instruments

Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the Management.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(k) Financial Instruments (Contd..)

(ii) Classification and subsequent measurement (Contd..)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held

within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(k) Financial Instruments (Contd..)

(ii) Classification and subsequent measurement (Contd..)

- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

(i) Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the consolidated statement of profit or loss.

(ii) Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in the consolidated statement of profit or loss.

(iii) Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified in the consolidated statement of profit or loss.

(iv) Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses on disposal of such investments are recognised in OCI and are not reclassified in the consolidated statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit or loss.

(iii) Non-derivative financial assets – service concession arrangements

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(k) Financial Instruments (Contd..)

(iii) Non-derivative financial assets – service concession arrangements (Contd..)

the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition and classified as trade receivables. Subsequent to initial recognition, such financial assets are measured at amortised cost. If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is initially recognised at its fair value.

(iv) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability

extinguished and the new financial liability with modified terms is recognised in the consolidated statement of profit or loss.

(v) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(vi) Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Lease receivables.
- c) Trade receivables
- d) Accrued value of work done

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i. Trade receivables which do not contain a significant financing component.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(k) Financial Instruments (Contd..)

(vi) Impairment of financial assets (Contd..)

- ii. Accrued value of work done which do not contain a significant financing component.
- iii. Retention money receivable.
- iv. All lease receivables resulting from transactions.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

(l) Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably and is measured at cost. Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses.

If the cost of an individual part of property, plant and equipment is significant relative to the total cost of the item and has a separate useful life, the individual part is accounted for and depreciated separately.

The cost of property, plant and equipment comprises its purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of decommissioning, restoration and similar liabilities, if any. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life. Cost of repairs and maintenance are recognised in the consolidated statement of profit and loss as and when incurred.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method in the manner and at the rates prescribed by Schedule II of the Act except for certain items of plant and machinery wherein depreciation is provided based on the estimated useful lives of the plant and machinery so acquired, determined by the Group's management based on the technical evaluation carried out by the projects team. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

The useful lives used, as set out in the following table, are lower than or as those specified in Schedule II of the Act as under :

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(I) Property, plant and equipment (Contd..)

Depreciation methods, estimated useful lives and residual value (Contd..)

Class of assets	Useful life as per Schedule II
• Office building	60 years
• Store building	3 years
• Plant and equipment	10-15 years
• Furniture and fixtures	10 years
• Vehicles	8-10 years
• Office equipment	3-10 years
• Electrical installation	10 years

Assets costing less than INR 20,000 are depreciated 100% in the year of acquisition.

The Assets acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of profit and loss within other gains/(losses).

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

(m) Investment properties

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Based on technical evaluation and consequent advice, the management believes a period of 25-40 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties using the straight-line method over their estimated useful lives.

Any gain or loss on disposal of an investment property is recognised in the standalone statement of profit and loss.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

(n) Intangible assets

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(n) Intangible assets (Contd..)

(i) Computer software (Contd..)

attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

(ii) Intangible Assets under Development

All projects related expenditure for acquisition of toll collection rights viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure, expenditure indirectly related to the project and incidental to setting up project facilities, borrowing cost incurred prior to the date of commercial operation and trial run expenditure are shown under Intangible Assets under development. These expenses are net of recoveries, claims and

income (net of tax), if any, from surplus funds arising out of project specific borrowings.

(iii) Amortisation methods and periods

The group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Computer software 3-5 years
- The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method (EIR). Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(p) Borrowings (Contd..)

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in statement of profit and loss as finance costs.

The fair value of the liability portion of an optionally convertible bonds is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit and loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in statement of profit and loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

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

Other borrowing costs are expensed in the period in which they are incurred.

(r) Provisions, Contingencies and Onerous contracts

Provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(r) Provisions, Contingencies and Onerous contracts (Contd..)

outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

(s) Employee benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period based on independent actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the

terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in consolidated statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment benefits

The group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, pension, and
- (b) defined contribution plans such as provident fund and superannuation fund

Pension and gratuity benefits

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Gratuity liability is covered by payment there of to Gratuity fund, the defined benefit plan under Group Gratuity Cash Accumulation Scheme of LIC of India under irrevocable trust. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(s) Employee benefits (Contd..)

(iii) Post-employment benefits (Contd..)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (OCI). They are included in actuarial loss on defined plan liability in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds and employee state insurance corporation (ESIC) as per local regulations. The group also pays superannuation fund to LIC of India. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Employee options

The fair value of options granted under the Group Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)

- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

(iv) Bonus plans

The group recognises a liability and an expense for bonuses. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(t) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(t) Trade receivables (Contd..)

the effective interest method, less provision for impairment.

(u) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to owners of the group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(x) Fair Value

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a

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

- (i) in the principal market for the asset or liability; or
- (ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy that categorises into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 : quoted (unadjusted) market prices in active markets for identical assets or liabilities.

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

Level 3 : inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

(y) Statement of cash flows

The Group's statement of cash flows are prepared using the Indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(y) Statement of cash flows (Contd..)

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value. These also include bank overdrafts and cash credit facility that form an integral part of the Group's cash management.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(z) Change in significant accounting policies

The Group has initially applied Ind AS 18 and Ind AS 11 from 1 April 2017. Due to the transition methods chosen by the Group in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced Ind AS 18 Revenue and Ind AS 11 Construction Contracts and related interpretations. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services.

The Group has applied Ind AS 115 using the cumulative effect method i.e. by recognising the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of equity at 1 April 2018. Therefore, the comparative information has not been restated and continues to be reported under Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

(aa) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end

of the reporting period, the impact of such events is adjusted with the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(ab) Standards issued but not yet effective

Ind AS 116 is applicable for financial reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. The Group is in the process of analysing the impact of new lease standard on its financial statements.

In addition to the above note 2(y), the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Company's financial statements:

Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.

Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular prepayable financial assets.

Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

2 Significant accounting policies (Contd..)

(ab) Standards issued but not yet effective (Contd..)

has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions - i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the

asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).

Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

Amendments to Ind AS 28, Investments in Associates and Joint Ventures: When applying the equity method, a non-investment entity that has an interest in an investment entity associate or joint venture can elect to retain the fair value accounting applied by the associate or joint venture to its subsidiaries. Venture capital and other qualifying organizations can elect to measure investments in associates or joint ventures at fair value through profit or loss instead of applying the equity method. The amendments clarify that both these elections apply for each investment entity associate or joint venture separately.



Notes to the Consolidated Financial Statements (Contd..)

as at 31 March 2019

3 Property, plant and equipment

(Currency: Indian rupees in lakhs)

	Freehold Land - Owned	Office Building	Store Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Electrical Installation	Total	Capital work-in-progress
Year ended 31 March 2018										
Gross carrying amount										
Balance as at 1 April 2017	57.55	209.99	561.95	39,013.20	280.78	3,730.04	956.81	95.68	44,906.00	60.52
Exchange differences	-	-	(52.40)	(81.19)	(3.47)	(559.60)	(14.03)	-	(1,441.43)	(0.32)
Additions	-	11.64	1,004.10	10,016.11	651.73	312.14	662.70	162.32	12,820.74	12.13
Disposals	-	-	(0.67)	(1,708.86)	(0.04)	(20.07)	(1.02)	-	(1,730.66)	(60.16)
Balance as at 31 March 2018 (gross carrying amount)	57.55	221.63	1,512.98	46,508.54	929.00	3,462.51	1,604.46	258.00	54,554.67	12.18
Accumulated depreciation										
Opening accumulated depreciation	-	7.74	161.76	7,260.60	78.27	610.94	384.33	23.92	8,527.58	-
Depreciation for the year	-	4.46	233.73	5,666.96	100.28	583.40	346.71	33.90	6,969.44	-
Disposals	-	-	-	(1,569.54)	(0.03)	(13.31)	(0.98)	-	(1,583.86)	-
Exchange differences	-	-	(7.36)	(268.14)	(1.05)	(188.46)	(4.95)	-	(469.96)	-
Balance as at 31 March 2018 (accumulated depreciation)	-	12.20	388.13	11,089.88	177.47	992.57	725.11	57.82	13,443.20	-
Net carrying amount	57.55	209.43	1,124.85	35,418.66	751.53	2,469.94	879.34	200.18	41,111.47	12.18
Year ended 31 March 2019										
Gross carrying amount										
Balance as at 1 April 2018	57.55	221.63	1,512.98	46,508.54	929.00	3,462.51	1,604.45	258.00	54,554.67	12.18
Exchange differences	-	-	-	87.29	0.07	64.20	1.23	-	152.79	0.19
Additions	-	14.00	5,386.78	9,544.26	81.42	1,69.88	393.91	42.87	15,633.12	319.59
Disposals	-	-	-	(1,002.06)	-	(96.43)	(0.43)	(4.00)	(1,102.92)	(12.37)
Balance as at 31 March 2019 (gross carrying amount)	57.55	235.63	6,899.76	55,138.03	1,010.49	3,600.16	1,999.17	296.87	69,237.66	319.59
Accumulated depreciation										
Opening accumulated depreciation	-	12.20	388.13	11,089.88	177.47	992.57	725.11	57.82	13,443.20	-
Depreciation for the year	-	4.56	499.97	5,957.12	126.85	493.98	410.01	35.46	7,527.94	-
Disposals	-	-	-	(732.13)	-	(70.15)	(0.41)	(3.50)	(806.19)	-
Exchange differences	-	-	-	7.30	(0.09)	13.51	0.02	-	20.74	-
Balance as at 31 March 2019 (accumulated depreciation)	-	16.76	888.10	16,322.17	304.23	1,429.91	1,134.73	89.78	20,185.68	-
Net carrying amount	57.55	218.87	6,011.66	38,815.86	706.26	2,170.25	864.44	207.90	49,051.96	319.59

For property, plant and equipment secured against borrowings, refer note 13 (a) and 13 (b) of the consolidated financial statements.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

4 Investment properties (at cost)

(Currency: Indian rupees in lakhs)

	31March 2019	March 31 2018
Cost or deemed cost (gross carrying amount)		
Opening gross carrying amount / Deemed cost	82.13	82.13
Additions	-	-
Balance as at 31 March (gross carrying amount)	82.13	82.13
Opening accumulated depreciation	-	-
Depreciation for the year	-	-
Balance as at 31 March (accumulated depreciation)	-	-
Net carrying amount	82.13	82.13

Fair value

(Currency: Indian rupees in lakhs)

	31March 2019	March 31 2018
Investment properties	1,443.02	1,319.94

Measurement of fair values

(i) Fair value hierarchy:

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

(ii) Valuation technique:

Valuation of the subject property has been done by Sales Comparison Method under Market Approach at each balance sheet date. A comparison is made for the purpose of valuation with similar properties that have recently been sold in the market and thus have a transaction price. The sales comparison approach is the preferred approach when sales data are available. Comparable properties are selected for similarity to the subject property considering attributes like age, size, shape, quality of construction, building features, condition, design, gentry, etc. Their sale prices are then adjusted for their difference from the subject property. Finally a market value for the subject property is estimated from the adjusted sales price of the comparable properties. Investment property comprises a number of vacant industrial land.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

5 (a) Intangible assets

(Currency: Indian rupees in lakhs)

	Toll Collection Rights	Computer software	Total
Year ended 31 March 2018			
Cost or deemed cost (gross carrying amount)			
Balance at 1 April 2017	1,75,723.73	404.05	1,76,127.78
Additions	-	1,133.86	1,133.86
Disposals / adjustments	(867.63)	-	(867.63)
Balance as at 31 March 2018 (gross carrying amount)	1,74,856.10	1,537.91	1,76,394.01
Accumulated amortisation			
Opening accumulated amortisation	6,642.88	136.62	6,779.50
Amortisation for the year	2,802.31	221.60	3,023.91
Balance as at 31 March 2018 (accumulated depreciation)	9,445.19	358.22	9,803.41
Net carrying amount	1,65,410.91	1,179.69	1,66,590.60
Year ended 31 March 2019			
Gross carrying amount			
Balance at 1 April 2018	1,74,856.10	1,537.91	1,76,394.01
Additions	-	17.11	17.11
Disposals / adjustments	-	-	-
Balance as at 31 March 2019 (gross carrying amount)	1,74,856.10	1,555.02	1,76,411.12
Accumulated amortisation			
Opening accumulated amortisation	9,445.19	358.22	9,803.41
Amortisation for the year	3,193.83	311.00	3,504.83
Balance as at 31 March 2019 (accumulated depreciation)	12,639.02	669.22	13,308.24
Net carrying amount	1,62,217.08	885.80	1,63,102.88

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

5 (b) Intangible assets under development

(Currency: Indian rupees in lakhs)

	Amount
Year ended 31 March 2018	
Gross carrying amount	
Balance as at 1 April 2017	937.74
Additions	586.38
Disposals	(1,116.18)
Balance as at 31 March 2018 (gross carrying amount)	407.94
Year ended 31 March 2019	
Gross carrying amount	
Balance as at 1 April 2018	407.94
Additions	-
Disposals	-
Balance as at 31 March 2019 (gross carrying amount)	407.94

6 Financial assets

(a) Trade receivables

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Trade receivables		
Debts outstanding over Six Months from due date of payment	13,892.34	17,438.80
Other Debts includes Retention Money	9,488.56	58,972.44
Receivables from related parties	79,156.70	6,625.62
	1,02,537.60	83,036.86
Less: Provision for expected credit loss	(6,648.62)	(6,524.00)
Total receivables	95,888.98	76,512.86
Non-current	3,336.78	2,595.90
Current	92,552.20	73,916.96

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

as at 31 March 2019

6 Financial assets (Contd..)

(a) Trade receivables (Contd..)

Break-up of security details (Contd..)

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,02,537.60	83,036.86
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Doubtful	-	-
Total	1,02,537.60	83,036.86
Provision for expected credit loss	(6,648.62)	(6,524.00)
Total trade receivables	95,888.98	76,512.86

For terms and conditions of receivables owing from related parties, refer note 34 of consolidated financial statements.

For receivables secured against borrowings, refer note 13 (b) and 36 (c) of consolidated financial statements.

The Company exposure to credit and currency risks, and loss allowances related to receivables are disclosed in note 36 (A) (i) & 36 (A) (iii) of consolidated financial statements.

(b) Loans

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
To related parties:				
Loans to joint venture*	16,297.42	-	13,796.88	-
To parties other than related parties:				
Security deposits	2,473.94	1,180.08	2,221.17	752.08
Total loans	18,771.36	1,180.08	16,018.05	752.08

*Loans to Joint venture

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
Kurukshetra Expressway Private Limited	16,297.42	-	13,796.88	-
Total	16,297.42	-	13,796.88	-

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

6 Financial assets (Contd..)

(b) Loans (Contd..)

Break-up of security details

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
Loans receivables considered good - secured	-	-	-	-
Loans receivables considered good - unsecured	18,771.36	1,180.08	16,018.05	752.08
Loans receivables which have significant increase in credit risk	-	-	-	-
Loans receivables - credit impaired	-	-	-	-
Doubtful	-	-	-	-
Total	18,771.36	1,180.08	16,018.05	752.08

(c) Cash and cash equivalents

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Balances with banks		
- in current accounts	7,910.39	15,290.95
- in Demand Deposits (with less than 3 months of remaining maturity)	111.95	181.06
Cash on hand	134.97	95.76
Total cash and cash equivalents	8,157.31	15,567.77

Bank balances other than above

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Bank balances other than above		
- Unpaid dividend accounts	8.53	7.66
Total bank balances other than above	8.53	7.66

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

as at 31 March 2019

6 Financial assets (Contd..)

(d) Other financial assets

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Current	Non-current	Current	Non-current
Accrued Interest on Fixed deposits	78.02	-	33.78	6.13
Bank deposits (maturity more than 3 months)	2,483.50	916.71	1,947.14	593.85
Amount due from customers on construction contract (refer note 41)	-	-	26,377.65	-
Accrued value of work done (net of advances) (refer note 41)	-	-	40,958.70	-
	2,561.53	916.71	69,317.25	599.98
Less : Provision for expected credit loss on accrued value of work done	-	-	(1,220.14)	-
Total other financial assets	2,561.53	916.71	68,097.11	599.98

7 Deferred tax assets/liabilities

Movement in deferred tax balances

(Currency: Indian rupees in lakhs)

Particulars	1 April 2018	Recognised in profit or loss	Recognised in OCI	Other	31 March 2019
Property, plant and equipment	122.54	257.03	-	-	379.57
Expenses deductible/Income taxable in other accounting period	(1,611.98)	(25.86)	-	-	(1,637.84)
Provision for expected credit loss	2,292.49	30.87	-	-	2,323.36
Change in method of determining revenue	(2,049.53)	-	-	-	(2,049.53)
Related to employee benefits	-	(8.26)	8.26	-	-
Fair value of financial assets and liabilities through profit and loss account	(931.84)	(105.66)	-	47.80	(989.70)
Tax losses	4,005.87	662.79	-	-	4,668.66
Other items	1,383.58	4.69	-	-	1,388.27
Tax Assets	3,211.13	815.60	8.26	47.80	4,082.79

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

7 Deferred tax assets/liabilities (Contd..)

Movement in deferred tax balances (Contd..)

(Currency: Indian rupees in lakhs)

Particulars	1 April 2017	Recognised in profit or loss	Recognised in OCI	Other	31 March 2018
Property, plant and equipment	131.40	(8.86)	-	-	122.54
Expenses deductible/Income taxable in other accounting period	(2,040.26)	428.28	-	-	(1,611.98)
Provision for expected credit loss	977.39	1,315.10	-	-	2,292.49
Change in method of determining revenue	(664.53)	(1,385.00)	-	-	(2,049.53)
Impact of accounting of forward contract at fair value	0.17	(0.17)	-	-	-
Related to employee benefits	-	(62.04)	62.04	-	-
Fair value of financial assets and liabilities through profit and loss account	(763.80)	(168.04)	-	-	(931.84)
Tax losses	2,622.08	1,383.77	-	-	4,005.87
Other items	1,538.30	(154.72)	-	-	1,383.58
Tax assets	1,800.75	1,348.34	62.04	-	3,211.13

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Deferred tax assets	5,408.59	4,491.50
Deferred tax liabilities	(1,325.80)	(1,280.37)
	4,082.79	3,211.13

8 Other non-current assets

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Capital advances	151.16	550.61
Advances to suppliers	-	1,481.11
Prepaid expenses	313.18	342.72
Total other non-current assets	464.34	2,374.44

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

as at 31 March 2019

9 Inventories

(at lower of cost or net realisable value)

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018*
Construction material	22,559.70	17,770.25
Spares, tools and stores	2,257.36	1,470.02
Total inventories	24,817.07	19,240.27

Change in method of inventory valuation :

*During the previous year, the Company had changed the method of inventory valuation from FIFO (First In First out) to Weighted Average method. As per the management estimate, the impact was immaterial, hence no effect were given in the previous year.

10 Current tax assets (Net)

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Advance income tax (net of provision for tax INR 11,763.72 lakhs (31 March 2018 : INR 10,394.90 lakhs))	1,556.09	929.53
Total current tax assets (net)	1,556.09	929.53

11 Other current assets

(unsecured and considered good)

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Amount due from customers on construction contract (refer note 41)	32,349.59	-
Accrued value of work done (net of advances)(refer note 41)	67,600.81	-
Prepaid expenses	945.80	553.41
Advance GST/VAT / entry tax (net of payable)	12,776.10	23,784.10
Cenvat credit receivable	4.87	-
Advance to suppliers	17,038.87	16,332.99
Advances to employees	166.88	211.45
Others	20.89	47.47
	1,30,903.81	40,929.43
Less : Provision for expected credit loss on accrued value of work done	(1,607.14)	-
Total	1,29,296.67	40,929.43

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

12 Equity share capital and other equity

(a) Equity share capital

Authorised equity share capital

(Currency: Indian rupees in lakhs)

Particulars	Number of shares (in lakh)	Amount
As at 1 April 2017	350.00	3,500.00
Increase during the year	-	-
As at 31 March 2018	350.00	3,500.00
Increase during the year	-	-
As at 31 March 2019	1,750.00	3,500.00

(i) Movements in equity share capital

(Currency: Indian rupees in lakhs)

Particulars	Number of shares (in lakh)	Equity share capital (par value)
As at 1 April 2017	335.81	3,358.10
Increase during the year	-	-
As at 31 March 2018	335.81	3,358.10
Increase during the year	-	-
As at 31 March 2019*	1,679.05	3,358.10

*During the year the Company has sub-divided the face value of equity shares of the Company from ₹ 10/- each to ₹ 2/- each. The Record date for the sub-division was 5 October, 2018. Consequently, the Company has issued total 16,79,05,170 equity shares of ₹ 2/- each in lieu of 3,35,81,034 equity shares of ₹ 10/- each.

Terms and rights attached to equity shares :

The Company has only one class of Equity Shares having par value of ₹ 2/- (31 March 2018 : INR 10/-) per share. Each holder of Equity Shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

12 Equity share capital and other equity (Contd..)

(a) Equity share capital (Contd..)

(ii) Shares of the company held by holding company

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Kalpataru Power Transmission Ltd.	2,256.29	2,256.29

(iii) Details of shareholders holding more than 5% shares in the company

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Equity Shares of ₹ 2/- each fully paid*				
Kalpataru Power Transmission Limited, the Holding Company	1,128.14	67.19%	225.63	67.19%
HDFC Trustee Company Limited	150.90	8.99%	30.18	8.99%

*During the year the Company has sub-divided the face value of equity shares of the Company from ₹ 10/- each to ₹ 2/- each. The Record date for the sub-division was 5 October, 2018. Consequently, the Company has issued total 16,79,05,170 equity shares of ₹ 2/- each in lieu of 3,35,81,034 equity shares of ₹ 10/- each.

(iv) Aggregate number of shares issued for consideration other than cash

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
	Number of shares (in lakhs)	Number of shares (in lakhs)
Aggregate number of shares issued for consideration other than cash	-	-

(b) Reserves and surplus

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Securities premium	35,331.64	35,331.64
Debenture redemption reserve	541.89	-
Retained earnings	12,547.52	6,435.40
General reserves	5,123.30	4,898.30
Total reserves and surplus	53,544.35	46,665.34

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

12 Equity share capital and other equity (Contd..)

(b) Reserves and surplus (Contd..)

(i) Securities premium

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Opening balance	35,331.64	35,331.64
Increase during the year	-	-
Closing balance	35,331.64	35,331.64

(ii) Debenture redemption reserve

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Opening balance	-	-
Transfer from profit and loss account (Surplus)	541.89	-
Closing balance	541.89	-

(iii) Retained earnings

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Opening balance	6,435.40	4,662.08
Net profit/(loss) for the year	7,663.49	2,684.67
Items of other comprehensive income		
- Remeasurements of post-employment benefit obligation, net of tax	(24.06)	(117.25)
- Exchange differences of foreign operations, net of tax	544.44	36.57
Ind AS 115 - reversal of discounting of receivable and payable	(90.35)	-
Transfer to general reserve	(225.00)	(225.00)
Transfer to debenture redemption reserve	(541.89)	-
Dividends (including tax thereon)	(1,214.51)	(606.23)
Closing balance	12,547.52	6,435.40

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

as at 31 March 2019

12 Equity share capital and other equity (Contd..)

(b) Reserves and surplus (Contd..)

(iv) General reserve

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Opening balance	4,898.30	4,673.30
Transfer from profit and loss (Surplus)	225.00	225.00
Closing balance	5,123.30	4,898.30

Nature and purpose of reserves

(i) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Debenture redemption reserve

The Group is required to create a debenture redemption reserve out of profits, which is available for payment of dividend for the purpose of redemption of debentures.

(iii) General reserve

General reserve represents appropriation of retained earnings and are available for distribution to share holders.

(c) Other reserves

(Currency: Indian rupees in lakhs)

Particulars	Other reserves
As at 1 April 2017	86.56
Increase during the yaer	-
As at 31 March 2018	86.56
Increase during the year	-
As at 31 March 2019	86.56

Nature and purpose of other reserves

Other reserves created on Guarantee commission charged on bank Guarantee provided by the holding Company on behalf of the Company.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

13 Financial Liabilities

(a) Non-current borrowings

(Currency: Indian rupees in lakhs)

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	31 March 2019		31 March 2018	
				Non-current	Current	Non-current	Current
Secured							
Debentures							
1,500, 9.95% Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) of the face value of ₹ 1,000,000/- each.		Please refer note 13 (a) 1	9.95%	14,937.62	883.23	-	
Term loans From banks							
Rupee loan							
- from banks		Please refer note 13 (a) 2		73,902.11	5,556.64	81,912.02	5,542.89
- from NBFC		Please refer note 13 (a) 3		32,684.38	6,718.27	34,252.20	4,667.34
Vehicle loans		Please refer note 13 (a) 4	9.40% to 10.75%	85.40	65.82	151.23	72.30
				1,21,609.51	13,223.96	1,16,315.45	10,282.53
Unsecured							
Term loans							
Rupee loan							
- from banks	30 Sept 2021	Quarterly unequal instalments. Borrower has a right to prepay the facility anytime and lender has a right to recall the facility, after 5 years from the first drawdown date after 15 days notice.	varying interest rate linked to base rate of Bank from time to time.	3,488.89	2,588.61	6,077.47	2,565.60
				3,488.89	2,588.61	6,077.47	2,565.60
Total non-current borrowings				1,25,098.40	15,812.57	1,22,392.92	12,848.13
Amount disclosed under the head "Other current financial liabilities"							
Current maturities of long-term debt (included in note 13(c))					(14,920.62)		(12,848.13)
Interest accrued (included in note 13(c))					(891.95)		-
Non-current borrowings (as per balance sheet)				1,25,098.40	-	1,22,392.92	-

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

as at 31 March 2019

13 Financial Liabilities (Contd..)

(a) Non-current borrowings (Contd..)

1 Debentures

- a 1,500, 9.95% Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) of the face value of ₹ 1,000,000/- (Rupees Ten Lakh Only) each, for an aggregate nominal value of ₹ 1,500,000,000/- (Rupees One Hundred Fifty Crores Only) divided in Series I Debentures (300 Nos.), Series II Debentures (450 Nos.) and Series III Debentures (750 Nos.) on private placement basis. The said NCDs are listed on the Wholesale Debt Market segment of BSE Limited.

Due date and amount for the repayment of principal of Non-Convertible Debentures (NCDs) is as follows :

(Currency: Indian rupees in lakhs)

Particulars	(₹ in Lakhs)	Date
- 9.95% Series III NCDs issued on August 28, 2018	7,500	August 28, 2023
- 9.95% Series II NCDs issued on August 28, 2018	4,500	August 27, 2022
- 9.95% Series I NCDs issued on August 28, 2018	3,000	August 27, 2021

- b Interest on debentures is payable annually @9.95%. Accrued interest upto 31 March 2019 is INR 883.23 lakhs and the same is due on 28 August 2019.
- c Unamortised cost related to issue of debenture amounting to INR 62.38 lakhs has been reduced from borrowings.
- d NCDs secured against 5,916,820 equity shares constituting 26% of the paid up equity capital of Brij Bhoomi Expressway Private Limited (SPV).

2 Rupee loans from banks

- (i) Term loan from a bank amounting to INR 1,829.65 lakhs (31 March 2018: INR 2,495.01 lakhs) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments with 30 September 2021 as maturity date with varying interest rate linked to base rate of bank from time to time.
- (ii) Term loan from a bank amounting to INR 12,487.49 lakhs (31 March 2018: INR 15,000.00 lakhs) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 unequal quarterly instalments

to be paid at the end of each financial quarter, commencing from 31 December 2018 with 30 September 2022 as a date of maturity and interest payable on monthly basis at varying interest rate linked to 1 year MCLR.

- (iii) Term loan from a bank amounting to INR Nil (31 March 2018: INR 354.19 lakhs) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in equal quarterly instalments of INR 70.83 lakhs with 10 April 2018 as maturity date with varying interest rate linked to base rate of bank from time to time.
- (iv) Term loan from a bank amounting to INR 153.80 lakhs (31 March 2018: INR 226.34 lakhs) is secured exclusively by first charge

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

13 Financial Liabilities (Contd..)

(a) Non-current borrowings (Contd..)

2 Rupee loans from banks (Contd..)

on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments ending in May 2021 with varying interest rate linked to base rate of bank from time to time.

(v) Term loan from a bank amounting to INR 129.40 lakhs (31 March 2018: INR Nil) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments ending in January 2023 with varying interest rate linked to base rate of bank from time to time.

(vi) Term loan from a bank amounting to INR 23,078.66 lakhs (31 March 2018: INR 24,534.45 lakhs) is secured by following assets of the subsidiary company, viz. Wainganga Expressway Private Limited.

(a) a first charge in favour of the Lenders / Security Trustee for the benefit of the Lenders in a form satisfactory to the Lenders, of all borrower's immovable assets, if any both present and future, save and except Project Assets and

(b) a first charge in favour of Security Trustee for the benefit of the lenders of all the borrower's moveable properties, both present and future, save and except the Project Assets and more specifically mentioned in loan agreement repayable in unequal instalments ending on 30 June 2026.

(vii) Term Loans from Banks amounting to INR 5,554.10 lakhs (31 March 2018: INR 6,173.97 lakhs) is secured by following assets of the subsidiary company, viz. Brij Bhoomi Expressway Private Limited.

a) first mortgage and charge on all the borrower's immovable properties, if any, both present and future; save and except

the Project Assets. By way of hypothecation of all the borrower's movable assets; save and except the Project Assets, borrower's receivables save and except the Project Assets and on all intangibles of the borrower.

b) first charge by way of assignment or otherwise creation of Security Interest in all the right, title, interest, benefits, claims and demands whatsoever of the borrower in accordance with the provisions of the Substitution Agreement and the Concession Agreement and by way of assignment or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the Project Documents.

c) pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of paid up and voting equity share capital of the borrower. Repayable in quarterly unequal instalments ending on 31 December 2023.

(viii) Term loans from banks amounting to INR 36,225.60 lakhs (31 March 2018: INR 38,670.95 lakhs) is secured by following assets of the subsidiary company, viz. Vindhyachal Expressway Private Limited.

(a) first mortgage and charge on all the borrower's immovable properties, if any, both present and future; save and except the Project Assets. By way of hypothecation of all the borrower's movable assets; save and except the Project Assets, borrower's receivables save and except the Project Assets and on all intangibles of the borrower.

(b) first charge by way of assignment or otherwise creation of Security Interest in all the right, title, interest, benefits, claims and demands whatsoever of the borrower in accordance with the provisions of the Substitution Agreement and the Concession Agreement and by way of assignment or creation of security interest of (a) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the Project Documents.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

as at 31 March 2019

13 Financial Liabilities (Contd..)

(a) Non-current borrowings (Contd..)

2 Rupee loans from banks (Contd..)

- (c) pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of paid up and voting equity share capital of the Borrower. Repayable in quarterly unequal instalments ending on 31 July 2027

3 Rupee loans from NBFC

- (i) Term loan from NBFC amounting to INR 4,860.00 lakhs (31 March 2018: INR 6,930.00 lakh) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 18 unequal quarterly instalments to be paid at the end of each financial quarter, commencing from 29 September 2016 with 21 December 2020 as a date of maturity and interest payable on monthly basis at varying interest rate linked to base rate of NBFC from time to time.
- (ii) Term loan from NBFC amounting to INR 3,750.00 lakhs (31 March 2018: INR 5,000.00 lakh) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 equal quarterly instalments, commencing from June 2018 and ending in March 2022 as a date of maturity and interest payable on monthly basis at varying interest rate linked to base rate of NBFC from time to time.
- (iii) Term loan from NBFC amounting to INR 14.80 lakhs (31 March 2018: INR 180.43 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 36 equal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.

- (iv) Term loan from NBFC amounting to INR 405.25 lakhs (31 March 2018: INR 651.68 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 16 equal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.
- (v) Term loan from NBFC amounting to INR 114.27 lakhs (31 March 2018: INR 143.33 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 unequal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.
- (vi) Term loan from NBFC amounting to INR 126.94 lakhs (31 March 2018: INR 157.75 lakhs) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 unequal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.
- (vii) Term loan from NBFC amounting to INR 1,355.23 lakhs (31 March 2018: INR Nil) is secured by first and exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 equal quarterly instalments with interest payable quarterly at varying interest rate linked to base rate of NBFC from time to time.
- (viii) Term loan from NBFC amounting to INR 2,500.00 lakhs (31 March 2018: INR INR Nil) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 equal quarterly instalments, commencing from June 2020 and ending in March 2024 as a date of maturity and interest payable on monthly basis at varying interest rate linked to base rate of NBFC from time to time.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

13 Financial Liabilities (Contd..)

(a) Non-current borrowings (Contd..)

3 Rupee loans from NBFC (Contd..)

- (ix) Term loan from a financial institution amounting to INR 7,096.52 lakhs (31 March 2018: INR 7,235.58 lakhs) is secured by following assets of the subsidiary company, viz. Wainganga Expressway Private Limited (for pledge details refer note 13 (a) (2) (vi)).
- (x) Term loan from a financial institution amounting to INR 6,638.23 lakhs (31 March 2018: INR 6,988.34 lakhs) is secured by following assets of the subsidiary company,

viz. Brij Bhoomi Expressway Private Limited (for pledge details refer note 13 (a) (2) (vii)).

- (xi) Term Loans from banks amounting to INR 12,541.41 lakhs (31 March 2018: INR 11,632.43 lakhs) is secured by following assets of the subsidiary company, viz. Vindhyachal Expressway Private Limited (for pledge details refer note 13 (a) (2) (viii)).

4 Vehicle loans

Loans of INR 151.22 lakhs (31 March 2018: INR 223.52 lakhs) are secured by way of charge on specific equipment and vehicles financed by them on different loans. Vehicle Loans is repayable in 60 monthly instalments beginning from the month subsequent to disbursement.

(b) Current borrowings

(Currency: Indian rupees in lakhs)

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	31 March 2019	31 March 2018
Loans repayable on demand					
Secured					
From banks*	Roll over facility	Roll over working capital facility renewed annually	MCLR + Margin	26,789.00	33,655.31
Current borrowings				26,789.00	33,655.31

* Working Capital Loans are secured in favour of consortium bankers, by way of :

- (a) First charge against hypothecation of stocks, work in progress, stores and spares, bills receivables, book debts, cash and cash equivalents and other current assets.
- (b) Second charge on all movable Property, plant and equipments of the Company.
- (c) First charge on the office premises of the Company.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

as at 31 March 2019

13 Financial Liabilities (Contd..)

(c) Other financial liabilities

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Non-current		
Additional concession fees	35,573.81	35,207.36
Security deposits	24.62	21.62
Total other non-current financial liabilities	35,598.43	35,228.97
Current		
Term loans from banks and NBFCs (Refer note 13 (a) 2 & 13 (a) 3)	14,854.80	12,775.83
Loan against vehicles / equipments (Refer note 13 (a) 4)	65.82	72.30
Interest accrued but not due on borrowings	891.95	-
Payables for capital goods	3,961.50	4,130.58
Payable to employees (including provisions)	3,541.36	3,360.74
Additional concession fees	3,587.24	593.06
Security deposits	12,116.86	12,165.90
Unclaimed dividend	8.53	7.66
Unclaimed matured fixed deposits and interest	3.04	3.51
Total other current financial liabilities	39,031.10	33,109.58

(d) Trade payables

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Non Current		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,127.67	10,898.88
Total non-current trade payables	14,127.67	10,898.88
Current		
Acceptance	15,304.02	3,228.81
Total outstanding dues of micro enterprises and small enterprises (refer note 35)	1,168.00	793.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,00,798.90	78,836.99
Total current trade payables	1,17,270.93	82,858.94

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019
as at 31 March 2019

14 Provisions

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019			31 March 2018		
	Current	Non-current	Total	Current	Non-current	Total
Defect liability period expenses (refer note 30)	135.27	2,620.95	2,756.22	193.65	2,469.38	2,663.03
Provision for onerous contracts (refer note 30)	14.38	-	14.38	53.32	-	53.32
Major maintenance expense (refer note 30)	-	4,677.84	4,677.84	-	3,485.76	3,485.76
Loss of joint venture (refer note 24)	5,641.81	-	5,641.81	3,592.06	-	3,592.06
Provision for gratuity (refer note 33)	332.30	1,362.39	1,694.69	241.52	1,197.85	1,439.37
Leave obligations (refer note 33)	210.84	634.13	844.97	186.18	584.46	770.64
Total Provision	6,334.60	9,295.31	15,629.91	4,266.73	7,737.45	12,004.18

15 Other liabilities

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019			31 March 2018		
	Current	Non-current	Total	Current	Non-current	Total
Amount due to customers under construction contracts (refer note 41)	6,910.97	-	6,910.97	8,165.18	-	8,165.18
Advance from clients	17,015.19	42,936.93	59,952.12	9,603.25	43,390.88	52,994.13
Other statutory liabilities	2,458.13	-	2,458.13	9,614.99	-	9,614.99
Book overdrafts with bank	7.06	-	7.06	199.15	-	199.15
Other current liabilities	803.23	-	803.23	1,212.40	-	1,212.40
Total Other liabilities	27,194.58	42,936.93	70,131.51	28,794.97	43,390.88	72,185.85

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

16 Revenue from operations

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Contract revenue	2,77,100.87	2,48,036.45
Accrued Value of Work Done (uncertified bills)	48,184.73	27,565.59
Income from toll collection	15,250.08	13,109.62
Utility shifting revenue	186.76	102.19
Total revenue from continuing operations	3,40,722.44	2,88,813.85

17 Other income

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Interest income		
- from fixed deposits	909.23	87.36
- from others	1,045.61	780.43
Net gain on sale of Property, plant and equipments	-	455.76
Rent income	472.80	344.25
Liabilities written back	79.12	83.93
Other income	127.01	6.15
Total other income	2,633.77	1,757.88

18 Cost of materials consumed

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Raw materials at the beginning of the year	17,770.25	13,877.17
Add: Purchases during the year	1,48,605.43	1,17,474.31
Less: Scrap sales made the during the year	(2,129.03)	(1,346.00)
Less: Raw material at the end of the year	(22,559.70)	(17,770.25)
Total cost of materials consumed	1,41,686.95	1,12,235.23

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

19 Employee benefit expense

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Salaries, wages and bonus	26,797.31	23,434.24
Contribution to provident fund and other statutory fund	2,207.15	1,889.06
Staff welfare expenses	1,519.80	1,566.31
Total employee benefit expense	30,524.26	26,889.61

20 Depreciation and amortisation expense

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Depreciation of property, plant and equipment (refer note 3)	7,527.95	6,969.44
Amortisation of intangible assets (refer note 5a)	3,504.83	3,023.91
Total depreciation and amortisation expense	11,032.78	9,993.35

21 (a) Construction expenses

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Work charges	60,963.69	47,842.08
Composite work charges	18,222.00	20,674.93
Operation and management services	1,575.45	1,528.32
Consumption of spares, tools and stores	2,258.31	1,796.62
Machinery - running and maintenance expenses	5,566.22	4,258.60
Electricity charges	2,308.35	2,232.87
Rent and hire charges	7,356.27	4,957.37
Security expenses	1,979.10	1,767.62
Site expenses	10,886.70	10,631.88
Major maintenance expenses (refer note 30)	899.01	807.74
Provision for onerous contracts (refer note 30)	(38.94)	(901.93)
Defect liability period expenses (refer note 30)	93.20	446.59
Total construction expenses	1,12,069.36	96,042.69

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

21 (b) Other expenses

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Building and general repairs	437.29	377.82
Vehicle maintenance charges	200.90	248.36
Travelling expenses	1,735.87	1,296.49
Conveyance expenses	100.52	89.51
Insurance charges	789.05	482.00
Printing and stationery expenses	269.94	245.19
Office rent	1,132.78	820.29
Office expenses	299.40	271.82
Postage and telephone charges	330.85	336.76
Professional and legal charges	2,013.46	1,705.17
Auditor's remuneration (refer note 21 (b) (i) below)	103.56	76.90
Rates and taxes	2,445.65	3,094.19
Advertisement expenses	41.98	40.59
Computer and IT expenses	855.76	491.76
Bank commission and charges	1,658.64	1,184.33
Training expenses	64.11	60.27
Loss on assets lost/sold	199.81	47.48
Exchange rate variation expense	(2,742.67)	(1,569.95)
Sitting fees and commission to Non-executive Directors	116.00	88.62
Provision for expected credit loss	393.64	4,639.19
Provision for expected credit loss on accrued value of work done	387.00	1,220.14
Corporate social responsibility expenditure (refer note 21 (b) (ii) below)	97.46	46.91
Sundry expenses	442.81	389.67
Total other expenses	11,373.81	15,683.50

(i) Details of payments to auditor's (excluding taxes)

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Payment to auditor's		
As auditor:		
Audit fee	65.35	53.82
In other capacities		
Certification fees	32.60	22.11
Re-imbursement of expenses	5.61	0.97
Total payments to auditor's	103.56	76.90

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

21 (b) Other expenses

(ii) Corporate social responsibility expenditure

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
A. Gross amount required to be spent by the Company	91.53	42.06
B. Amount spent during the year on:		
(i) Construction/acquisition of any assets	-	-
(ii) On purpose other than (i) above	97.46	46.91
C. Related party transactions in relation to Corporate Social Responsibility	-	-

22 Finance costs

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Interest and finance charges on financial liabilities not at fair value through profit or loss	18,668.40	17,554.56
Other borrowing costs, net	(174.50)	626.34
Exchange differences regarded as an adjustment to borrowing costs	374.23	(320.36)
Interest on unwinding of discount	4,212.24	4,546.64
Total finance costs	23,080.37	22,407.18

23 Income tax expense

(a) Amounts recognised in profit and loss

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Income tax expense		
Current tax		
Current tax on profits for the year	4,691.04	3,713.30
Total current tax expense	4,691.04	3,713.30
Deferred tax		
(Increase) in deferred tax assets	(815.60)	(1,348.32)
Total deferred tax expense/(benefit)	(815.60)	(1,348.32)
Income tax expense	3,875.44	2,364.98
Income tax expense is attributable to:		
Profit from continuing operations	3,875.44	2,364.98
	3,875.44	2,364.98

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

23 Income tax expense (Contd..)

(b) Amounts recognised in other comprehensive income (OCI) :

(Currency: Indian rupees in lakhs)

Particulars	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability / (asset)	(32.32)	8.26	(24.06)	(179.27)	62.04	(117.23)
Exchange difference in translating foreign operations	731.33	(186.89)	544.44	56.57	(20.00)	36.57
	699.01	(178.63)	520.38	(122.70)	42.04	(80.66)

(c) Reconciliation of income tax expenses with the accounting profit :

(Currency: Indian rupees in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Amount	Amount
Profit before tax	11,538.93	5,049.65
Tax using the Company's domestic tax rate (34.94%)	4,031.70	1,747.58
tax effect of adjustment to reconcile reported income tax expenses :		
Income exempt-Share of profit/loss on investment in JV	30.83	9.91
Profit allowance claimed u/s 80IA of the Income-tax Act, 1961	(1,721.25)	(1,988.83)
Unused tax losses not recognised as deferred tax	2,555.16	3,269.14
Others	(1,021.00)	(672.82)
Income tax expenses recognised in the statement of profit and loss	3,875.44	2,364.98

24 Interest in joint ventures

Set out below are the joint ventures of the group as at 31 March 2019 which, in the opinion of the management, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

24 Interest in joint ventures (Contd..)

(Currency: Indian rupees in lakhs)

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					31 March 2019	31 March 2018
Kurukshetra Expressway Private Limited	India	49.57%	Joint Venture	Equity method	-	-

Summarised financial information for joint ventures

The tables below provide summarised financial information for those joint ventures that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not JMC Projects (India) Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

(Currency: Indian rupees in lakhs)

Summarised balance sheet	31 March 2019	31 March 2018
Current assets		
Cash and cash equivalents	396.31	400.98
Other assets	2,286.16	769.11
Total current assets	2,682.47	1,170.08
Total non-current assets	1,11,717.07	1,12,455.08
Current liabilities		
Other liabilities	12,008.56	8,804.99
Total current liabilities	12,008.56	8,804.99
Non-current liabilities		
Financial liabilities (excluding trade payables)	1,08,889.87	1,07,079.16
Other liabilities	4,882.22	4,987.21
Total non-current liabilities	1,13,772.09	1,12,066.37
Net assets	(11,381.11)	(7,246.20)

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

24 Interest in joint ventures (Contd..)

Reconciliation to carrying amounts

(Currency: Indian rupees in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Amount	Amount
Opening net assets	(7,246.20)	(2,665.92)
(Loss) for the year	(4,134.91)	(4,580.28)
Closing net assets	(11,381.11)	(7,246.20)
Group's share in %	49.57%	49.57%
Group's share in INR	(5,641.81)	(3,592.06)
Considered in Provision*	5,641.81	3,592.06
Carrying amount	-	-

*Note: Provision for loss in joint venture in excess of investment has been disclosed under Provisions (Refer Note 14)

Summarised statement of profit and loss

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Revenue	9,082.35	10,898.16
Other income	39.30	1.59
Construction cost	-	(1,441.37)
Employee benefits expense	(120.18)	(107.24)
Finance costs	(10,087.43)	(10,691.89)
Depreciation and amortisation expense	(1,490.35)	(1,516.70)
Other expenses	(1,602.40)	(1,969.30)
Deferred tax	43.80	246.46
(Loss) from continuing operations	(4,134.91)	(4,580.28)
(Loss) from discontinued operations	-	-
(Loss) for the year	(4,134.91)	(4,580.28)
Other comprehensive income	-	-
Total comprehensive income	(4,134.91)	(4,580.28)
Share of loss from joint ventures	(2,049.75)	(2,270.52)

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

25 Contingent liabilities in respect of

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
A. Bank guarantees	1.50	38.00
B. Guarantees given in respect of performance of contracts of joint ventures entities in which company is one of the member / holder of substantial equity	40,227.36	23,367.96
C. Guarantee given in favour of a subsidiary for loan obtained by them	2,768.00	3,753.00
D. Claims against the Company not acknowledged as debts	896.01	2,625.45
E. Show Cause Notice Issued by Service Tax Authorities	5,571.23	5,290.17
F. Trichy Madurai Road Project Royalty Matter	39.87	39.87
G. Disputed Income Tax Demand in appeal before Appellate Authorities	797.05	797.05
H. Disputed Income Tax Demand of Joint Ventures in appeal before Appellate Authorities	144.90	143.90
I. Disputed VAT Demand in appeal before Appellate Authorities	3,067.14	2,499.52

Note

The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts. Accordingly, this has been disclosed as a Contingent liability in the financial statements.

- 26** The management is of the opinion that as on the balance sheet date, there are no indications of a material impairment loss on Property, plant and equipment, hence the need to provide for impairment loss does not arise.

27 Capital and other commitments

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,225.59	2,921.97
Commitments on account of Toll, Operation and Maintenance Contracts	1,650.63	1,660.09

- 28** In the opinion of the management, the assets other than Property, plant and equipment and non current investments have a realisable value, in the ordinary course of business, approximately of the amount at which they are stated in these consolidated financial statements

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

29 Lease transactions

The Company's significant leasing / licensing arrangements are mainly in respect of residential / office premises and equipment (operating lease). Lease agreements in respect of residential / office premises and equipment are cancellable and renewable by mutual consent on mutually agreed terms. The aggregate lease rental / hire charges payable on these premises / equipment are charged as rent and hire charges amounting to INR 2,931.94 lakhs (31 March 2018: INR 2,463.22 lakhs).

30 The disclosure in respect of Provisions is as under

(Currency: Indian rupees in lakhs)

Particulars	Major maintenance	Defect liability period	Onerous contracts
Balance at 1 April 2017	2,494.19	2,445.72	955.26
Additions during the year	991.57	750.76	-
Utilisation during the year	-	(332.58)	-
Reversal (withdrawn as no longer required)	-	(200.87)	(901.94)
As at 31 March 2018	3,485.76	2,663.03	53.32
Additions during the year	1,192.08	762.23	168.84
Utilisation during the year	-	(326.29)	-
Reversal (withdrawn as no longer required)	-	(342.74)	(207.78)
As at 31 March 2019	4,677.84	2,756.23	14.38
Non- current	4,677.84	2,620.95	-
Current	-	135.27	14.38

Provision for major maintenance - The Group has made provision for major maintenance on it's BOOT projects as per the concession agreements. The provision is based on the technical evaluation and historical data associated with particular project. The Group expects to incur the related expenditure over the concession period.

Provision for defect liability period expense - The Group has made provision for expenses during defect liability period based on the defect liability period mentioned in contracts. The provision is bases on the estimates made from historical data associated with similar project. The Group expects to incur the related expenditure over the defect liability period.

Provision for onerous contracts - The Group has a contract where total contract cost exceeds the total contract revenue. In such situation as per Ind AS 115 and Ind AS 37, the Group has to provide for these losses. The provision is based on the estimate made by the management.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

31 Disclosure on Service concession agreement (as per Appendix C of Ind AS 115)

The Group entered into a service concession agreement with:

1. NHAI (National Highways Authority of India) to construct Four laning of Nagpur-Wainganga Bridge Section of NH-06 From KM 498.000 to KM 544.200 in the state of Maharashtra on 21 June, 2011,
2. NHAI (National Highways Authority of India) to construct two laning of Agra to Aligarh section of NH - 93 in the state of Uttar Pradesh on 23 December 2010 and
3. MPRDC (The Madhya Pradesh Road Development Corporation Ltd) to construct a toll highway between Rewa city and MP/UP border on 25 January 2012.

The construction of the toll road started thereafter and :

1. was completed and available for use on 7 January 2015
2. was partially completed on 2 May 2014 and final completion on 29 December 2015.
3. was partially completed on 7 February 2015 and balance was completed on 28 March 2016, respectively.

The Group has to pay a guaranteed minimum annual payment to the grantor for each year that the toll road in operation in case of projects in Sr. No 1 and 3 mentioned above. Additionally the Group has received the right to charge users a fee for using the toll road, which the Group will collect and retain. At the end of concession period, the toll road will become the property of the grantor and the Group will have no further involvement in its operation and maintainance requirements.

The service concession agreement does not contain a renewal option. The right of grantor to terminate the agreement include poor performance by Group and in the event of material breach in the terms of agreement. The right of the Group to terminate the agreement include failure of the grantor to make payment under the agreement, a material breach in terms of the agreement and any changes in law that would render it impossible for the Group to fulfil its requirement under the agreement.

For the year ended 31 March 2019, the Group has recognised revenue of INR 15,602.41 lakhs (31 March 2018: INR 13,264.85 lakhs), consisting of INR 186.76 lakhs (31 March 2018: INR 8.72 lakhs) on construction and INR 15,416.65 lakhs (31 March 2018 : INR 13,256.13 lakhs) on operation of toll road which is the amount of tolls collected and other income. The Group has recognised loss before tax of INR (5,144.70) lakhs (31 March 2018: INR (7,073.73) lakhs) consisting of profit of INR NIL lakhs (31 March 2018: INR NIL) on construction and a loss of INR (5,144.70) lakhs (31 March 2018: INR (7,073.73) lakhs) on operation of toll.

The Group has recognised an intangible asset received as consideration for providing construction or upgrade service in a service concession arrangements of INR 162,625.02 lakhs (31 March 2018: 165,410.90 lakhs) of which INR 3,193.83 lakhs (31 March 2018 : INR 2,802.31 lakhs) has been amortised in 2019. The intangible asset represents the right to charge users a fee for use of a toll road.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

32 Earning Per Share (EPS)

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (INR In lakhs)	7,663.49	2,684.67
ii) Weighted average number of equity shares used as denominator for calculating EPS (Nos.)	16,79,05,170	16,79,05,170
iii) Basic and Diluted Earnings per Share (in INR)	4.56	1.60
iv) Face Value per Equity Share (in INR) *	2.00	2.00

*During the year, the Company has sub-divided the face value of equity shares of the Company from ₹ 10/- each to ₹ 2/- each. The Record date for the sub-division was 5 October 2018. Consequently, the Company has issued total 16,79,05,170 equity shares of ₹ 2/- each in lieu of 3,35,81,034 equity shares of ₹ 10/- each.

33 Retirement Benefits

a. Defined Contribution Plan

The Group makes contribution towards provident fund and superannuation fund which are defined contribution retirement plans for qualifying employees. The provident fund plan is operated by the regional provident fund commissioner and the superannuation fund is administered by the LIC. Under the schemes, the Group is required to contribute a specified percentage of payroll cost to the retirement contribution schemes to fund benefits.

The Company recognised INR 1,206.57 lakhs (31 March 2018: INR 992.70 lakhs) for Provident Fund contributions and INR 61.83 lakhs (31 March 2018: INR 60.19 lakhs) for Superannuation contributions in the Consolidated Statement of Profit and Loss. The contribution payable to these plans by the Company are at rates specified in the rules.

b. Defined Benefit Plan

The scheme provides for lump sum payment to vested employees at retirement, upon death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method as per actuarial valuation carried out at balance sheet date.

The following table sets out the funded status of the gratuity plan and the amount recognised in the Group's consolidated financial statements as at 31 March 2019.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

33 Retirement Benefits (Contd..)

b. Defined Benefit Plan (Contd..)

Disclosure

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
i Change in benefit obligations:		
Projected benefit obligation at the beginning of the year	1,481.28	1,112.69
Service Cost	249.98	272.38
Interest Cost	96.69	68.90
Actuarial (Gain) / Loss		
- changes in demographic assumptions	-	-
- changes in financial assumptions	6.93	(24.10)
- experience adjustments	5.54	179.79
Benefits Paid	(136.67)	(128.38)
Projected benefit obligation at the end of the year	1,703.75	1,481.28
ii Change in plan assets:		
Fair value of plan assets at the beginning of the year	41.91	132.05
Expected return on plan assets	3.67	11.82
Employer's contribution	120.00	50.00
Benefit paid	(136.67)	(128.38)
Actuarial gain / (loss)	(19.84)	(23.58)
Fair value of plan assets at the end of the year	9.07	41.91
iii Net gratuity cost for the year ended		
Service cost	249.98	272.38
Interest of defined benefit obligation	96.69	68.90
Expected return on plan assets	(3.67)	(11.82)
Net actuarial gain recognised in the year	19.84	23.58
Net gratuity cost	362.84	353.04
Actual return on plan assets	(16.17)	(11.76)
iv Amount recognised in the Balance Sheet:		
Liability at the end of the year	1,703.75	1,481.28
Fair Value of Plan Assets at the end of the year	9.07	41.91
Amount recognised in Balance Sheet	1,694.68	1,439.37
v Assumptions used in accounting for the gratuity plan:		
Discount rate	7.20%	7.30%
Salary Escalation rate	6.00%	6.00%
Expected rate of return on plan assets	7.20%	7.30%
Attrition rate	17.00%	17.00%

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

33 Retirement Benefits (Contd..)

b. Defined Benefit Plan (Contd..)

Employee benefits

(Currency: Indian rupees in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Net defined benefit liability - gratuity	1,694.69	1,439.37
Total employee benefit liability	1,694.69	1,439.37
Non- current	1,362.39	1,197.85
Current	332.30	241.52

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	1,659.36	1,729.02	1,444.03	1,508.46
Salary Escalation rate (0.50% movement)	1,723.59	1,664.26	1,499.75	1,446.77
Attrition rate (1% movement)	1,690.71	1,696.00	1,469.97	1,475.54

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Expected cash flow for the following years

Expected total benefits payments

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Year 1	341.37	283.43
Year 2	298.27	249.17
Year 3	301.35	274.33
Year 4	366.06	290.30
Year 5	383.51	357.07
Next 5 years	1,728.11	1,606.33

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

33 Retirement Benefits (Contd..)

c. Compensated absence

Compensated absence for employee benefits of INR 844.97 lakhs for the period ended 31 March 2019 (31 March 2018 : INR 770.64 lakhs) expected to be paid in exchange for the services is recognised as an expense during the year and included in "Employee benefits expense" in the Consolidated Statement of Profit and Loss. The following table provides details in relation to compensated absences.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Liability for compensated absences	844.97	770.64
Total employee benefit liability	844.97	770.64
Non- current	634.13	584.46
Current	210.84	186.18

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

34 Related party disclosure

Kalpataru Power Transmission Limited	Holding Company
Fellow Subsidiary Companies	Nature of Relationship
Energylink (India) Limited	Subsidiary of Holding Company
Shree Shubham Logistics Limited	Subsidiary of Holding Company
Amber Real Estate Limited	Subsidiary of Holding Company
Adeshwar Infrabuild Limited	Subsidiary of Holding Company
Kalpataru Power Transmission Sweden AB (w.e.f. 28 Jan 2019)	Subsidiary of Holding Company
Kalpataru Power Transmission (Mauritius) Limited	Subsidiary of Holding Company
Kalpataru Power Transmission - USA, INC.	Subsidiary of Holding Company
Alipurduar Transmission Limited	Subsidiary of Holding Company
LLC Kalpataru Power Transmission Ukraine	Subsidiary of Holding Company
Kalpataru Power DMCC, UAE	Subsidiary of Holding Company
Saicharan Properties Limited	Subsidiary of Holding Company
Kalpataru Metfab Private Limited	Subsidiary of Holding Company
Kalpataru Satpura Transco Private Limited	Subsidiary of Holding Company
Punarvasu Financials Services Private Limited	Subsidiary of Holding Company
Kalpataru IBN Omairah Company Limited	Subsidiary of Holding Company
Kohima Mariani Transmission Limited	Subsidiary of Holding Company
Joint Ventures (with whom transactions have taken place during the year)	Nature of Relationship
Kurukshetra Expressway Private Limited	Joint Venture
Key Managerial Personnel (KMP) (with whom transactions have taken place during the year)	Nature of Relationship
Mr. Shailendra Tripathi	CEO & Dy. Managing Director
Mr. Manoj Tulsian	Whole-time Director & CFO
Mr. D. R. Mehta	Non-Executive Director
Mr. Shailendra Raj Mehta	Non-Executive Director
Mr. Hemant Modi	Non-Executive Director
Ms. Anjali Seth	Non-Executive Director
Enterprises over which significant influence exercised with whom company has transactions (EUSI)	Nature of Relationship
Kalpataru Limited	Significant influence of KMP's
Kalpataru Properties Thane Private Limited	Significant influence of KMP's
Kiyana Ventures LLP	Significant influence of KMP's
Kalpataru Urbanscape LLP	Significant influence of KMP's
Agile Real Estate Private Limited	Significant influence of KMP's
Abacus Real Estate Private Limited	Significant influence of KMP's
Kalpataru Retail Ventures Private Limited	Significant influence of KMP's

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

34 Related party disclosure (Contd..)

(Currency: Indian rupees in lakhs)

Sr. No.	Particulars of Transactions with Related Parties	Holding Company	Joint Ventures	KMP	EUSI
I. Transactions During the Year					
1	Other Expenses	7.02	-	-	20.82
		-	-	-	(31.31)
2	Rent Paid	121.49	-	-	776.39
		(49.85)	-	-	(444.50)
3	Guarantee Commission Expenses	-	-	-	-
		(11.26)	-	-	-
4	Sub-Contract Charges paid	1,044.13	-	-	-
		(1,956.12)	-	-	-
5	Other income	116.03	-	-	-
		-	-	-	-
6	Contract Revenue	-	-	-	17,570.12
		-	-	-	(12,437.19)
7	Managerial Remuneration	-	-	756.98	-
		-	-	(616.56)	-
II. Balance as on 31 March 2019					
1	Trade Receivables #	114.47	67.19	-	8,459.55
		(66.25)	(67.58)	-	(6,162.44)
2	Liabilities at the end of the year	1,663.84	-	354.00	27.41
		(1,819.16)	-	(261.34)	(485.16)
3	Loans & Advances given	20.24	16,297.42	-	438.37
		(23.44)	(13,796.88)	-	(161.00)
4	Advance taken from Clients ^	-	-	-	2,275.37
		-	-	-	(990.42)
5	Investment in Joint Venture entity	-	9,826.62	-	-
		-	(9,826.62)	-	-

Note:

Trade Receivables herein are Gross amount before Adjustment of Advances received from clients

Terms and conditions of transactions with related parties - The sales to and purchases from related parties are made on terms equivalent to those that prevails in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For year ended 31 March 2019, the Group has not recorded any specific impairment of receivables relating to the amounts owned by related parties (31 March 2018: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

^ Advances taken from clients herein are Gross amount before adjustment of Trade Receivables.

All balances o/s with related parties are unsecured.

Figures shown in bracket represents corresponding amounts of previous year.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

34 Related party disclosure (Contd..)

Key management personnel compensation comprised the following:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Short-term employee benefits	362.08	315.58
Post-employment benefits	28.90	25.89
Sitting fee	12.00	13.75
Commission	354.00	261.34
Total	756.98	616.56

The terms and conditions of transactions with related parties were no more favourable than those available, or which might be expected to be available, in similar transactions with non related parties on an arm's length basis.

35 Micro and small enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in the following disclosures-

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the consolidated financial statement as at 31 March 2019 based on the information received and available with the Company. On the basis of such information, credit balance as at 31 March 2019 of such enterprises is INR 1,168 lakhs (31 March 2018: INR 793.14 lakhs). There are no dues on account of interest. Auditors have relied upon the information provided by the Company.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Principal amount remaining unpaid to any supplier at the end of each accounting year	1,105.30	793.14
Interest due thereon at the end of each accounting year	62.70	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of each accounting year, and	62.70	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management

A. Risk management framework

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Group's risk assessment and management policies and processes.

The Company has exposure to the following risks arising from financial instruments :

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk (including currency and interest rate risk)

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes provision for expected credit loss and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(i) Credit risk (Contd..)

Trade receivables (Contd..)

Summary of the Group's exposure to credit risk by age of the outstanding from various customers (including retention money) is as follows:

(Currency: Indian rupees in lakhs)

Particulars	Carrying amount	
	31 March 2019	31 March 2018
Neither past due nor impaired	2,947.49	31,446.71
Past due but not impaired		
Past due upto 180 days	59,557.72	37,494.57
Past due from 181 days to 1 year	25,797.41	4,946.50
From 1 year to 2 years	7,501.87	5,790.56
From 2 year to 3 years	2,292.34	1,041.23
Above 3 years	4,440.77	2,317.29
	1,02,537.60	83,036.86

Expected credit loss assessment for customers as at the reporting date

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at 31 March 2019 related to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

On the above basis, the Group estimates the following provision matrix at the reporting date:

(a) Trade receivables

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
	Default rate	Default rate
Upto 180 days	0.21%	2.15%
From 181 days to 1 year	5.03%	33.10%
From 1 year to 2 years	16.56%	35.91%
From 2 year to 3 years	64.05%	59.77%
Above 3 years	100.00%	100.00%

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

- (i) Credit risk (Contd..)
- (b) Retention debtors

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
	Default rate	Default rate
From 1 year to 2 years	6.24%	15.67%
From 2 year to 3 years	12.04%	21.61%
Above 3 years	19.31%	27.58%

Accrued value of work done

As at 31 March 2019 and 31 March 2018, the Company has accrued value of work done and amounts due on account of construction contracts. The Company has recognised a specific provision of INR 1,607.14 lakhs (31 March 2018: INR 1,220.14 lakhs). Apart from the specific provision recognised, the Company does not perceive any credit risk pertaining to accrued value of work done and amount due on account of construction contracts.

The movement in the provision for expected credit loss in respect of trade receivables (including retention money) and accrued value of work done during the year is as follows:

(Currency: Indian rupees in lakhs)

Particulars	Trade receivables	Accrued value of work done
Balance as at 1 April 2017	2,824.00	1,220.14
Provision recognised	4,639.19	-
Amount utilised	(939.19)	-
Balance as at 31 March 2018	6,524.00	1,220.14
Provision recognised	393.64	387.00
Amount utilised	(269.02)	-
Balance as at 31 March 2019	6,648.62	1,607.14

Cash and cash equivalents

The Company held cash and cash equivalents which comprises of :

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Balance with banks	8,022.34	15,472.01
Cash on hand	134.97	95.76
Total cash and cash equivalents	8,157.31	15,567.77

The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(i) Credit risk (Contd..)

Derivatives

The derivatives are entered into with credit worthy banks and financial institution counterparties. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Guarantees

The Group's policy is to provide financial guarantee only for its subsidiaries liabilities. At 31 March 2019 and 31 March 2018, the Group has issued a guarantee to certain banks in respect of credit facilities granted to subsidiaries.

Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by the Group as at 31 March 2019 and 31 March 2018. The Group monitors the credit worthiness of such lessors where the amount of security deposit is material.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from loans from banks. The Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

As of 31 March 2019, the Group had working capital (Total current assets - Total current liabilities) of INR 61,100.55 lakhs including cash and cash equivalents of INR 8,157.31 lakhs. These cash and cash equivalents include investments in term deposits (i.e., bank certificates of deposit having original maturities of less than 3 months) of INR 111.95 lakhs. As of 31 March 2018, the Group had working capital (Total current assets - Total current liabilities) of INR 52,021.27 lakhs including cash and cash equivalents of INR 15,567.77 lakhs. These cash and cash equivalents include investments in term deposits (i.e., bank certificates of deposit having original maturities of less than 3 months) of INR 181.06 lakhs.

Exposure to liquidity risk

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- * all non derivative financial liabilities
- * net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(ii) Liquidity risk (Contd..)

(Currency: Indian rupees in lakhs)

Particulars	Carrying amount	31 March 2019				
		Contractual cash flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	1,67,699.98	2,20,133.45	51,842.55	34,061.29	86,033.23	48,196.38
Trade payables (dues of micro enterprises and small enterprises)	1,168.00	1,168.00	1,168.00	-	-	-
Trade payables (dues of creditors other than micro enterprises and small enterprises)	1,30,230.60	1,30,230.60	1,16,105.90	3,810.36	10,314.34	-
Other financial liabilities	58,816.97	91,180.46	7,535.09	3,811.46	9,503.87	70,330.04

(Currency: Indian rupees in lakhs)

Particulars	Carrying amount	31 March 2018				
		Contractual cash flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	1,68,896.36	2,20,860.54	58,121.98	24,879.70	75,592.19	62,266.67
Trade payables (dues of micro enterprises and small enterprises)	793.14	793.14	793.14	-	-	-
Trade payables (dues of creditors other than micro enterprises and small enterprises)	92,964.39	92,964.39	82,065.51	3,270.89	7,627.99	-
Other financial liabilities	55,490.44	1,07,678.06	20,072.67	3,596.40	10,661.42	73,347.57

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, Ethiopian Birr and Sri Lankan Rupee against the respective functional currencies of JMC Projects (India) Limited and its subsidiaries.

The Group, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

(Currency: Indian rupees in lakhs)

Amounts in INR	31 March 2019			31 March 2018		
	USD	ETB	LKR	USD	ETB	LKR
Trade receivables	-	1,700.65	706.27	-	2,689.90	454.19
Payables for capital goods	-	(27.71)	-	-	(487.20)	(25.82)
Trade payables	(123.22)	(1,876.84)	(117.63)	(7,168.84)	(1,320.69)	(2,482.60)
Net statement of financial position exposure	(123.22)	(203.90)	588.64	(7,168.84)	882.01	(2,054.23)

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(iii) Market risk (Contd..)

Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Parent Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of balance sheet.

(Currency: Indian rupees in lakhs)

Effect in INR Lakhs	Profit or loss	
	Strengthening	Weakening
31 March 2019		
USD	(12.32)	12.32
ETB	(20.39)	20.39
LKR	58.86	(58.86)
	26.15	(26.15)

(Currency: Indian rupees in lakhs)

Effect in INR Lakhs	Profit or loss	
	Strengthening	Weakening
31 March 2018		
USD	(716.88)	716.88
ETB	88.20	(88.20)
LKR	(205.42)	205.42
	(834.10)	834.10

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions. The Group manages its interest rate risk arising from foreign currency floating rate loans by using interest rate swaps as hedges of variability in cash flows attributable to interest rate risk.

For details of the Group's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 13 (a) & 13 (b) of these consolidated financial statements.

Interest rate sensitivity - fixed rate instruments

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

A. Risk management framework (Contd..)

(iii) Market risk (Contd..)

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

(Currency: Indian rupees in lakhs)

	Profit or (loss)	
	100 bp increase	100 bp decrease
As at 31 March 2019		
Non-Convertible Debentures (NCDs)	(158.21)	158.21
Rupee Loans - From banks	(794.59)	794.59
Rupee Loans - From NBFC's	(394.03)	394.03
Unsecured Loan - Rupee Loans - From banks	(60.78)	60.78
Vehicle loans	(1.51)	1.51
Working Capital Loans Repayable on Demand from Banks	(267.89)	267.89
Sensitivity (net)	(1,677.01)	1,677.01

(Currency: Indian rupees in lakhs)

	Profit or (loss)	
	100 bp increase	100 bp decrease
As at 31 March 2018		
Rupee Loans - From banks	(750.11)	750.11
Rupee Loans - From NBFC's	(247.92)	247.92
Unsecured Loan - Rupee Loans - From banks	(86.43)	86.43
Vehicle loans	(2.24)	2.24
Working capital loans repayable on demand from banks	(335.39)	335.39
Sensitivity (net)	(1,422.09)	1,422.09

(Note: The impact is indicated on the profit/loss and equity before tax basis).

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

B. Fair values

(i) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. A substantial portion of the Group's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(Currency: Indian rupees in lakhs)

31 March 2019	Carrying amount of financial assets/liabilities				Fair value			
	Amortised Cost	Fair value through profit or loss	Fair value through other comprehensive income	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Financial assets								
(i) Trade receivables	1,02,537.60	-	-	1,02,537.60	-	95,888.98	-	95,888.98
(ii) Loans	19,951.44	-	-	19,951.44	-	-	19,951.44	19,951.44
(iii) Cash and cash equivalents	8,157.31	-	-	8,157.31	-	-	8,157.31	8,157.31
(iv) Bank balances other than above	8.53	-	-	8.53	-	-	8.53	8.53
(v) Others	3,478.24	-	-	3,478.24	-	-	3,478.24	3,478.24
	1,34,133.12	-	-	1,34,133.12	-	95,888.98	31,595.52	1,27,484.50
Financial liabilities								
(i) Borrowings	1,67,699.98	-	-	1,67,699.98	-	-	1,67,699.98	1,67,699.98
(ii) Trade payables (dues of micro enterprises and small enterprises)	1,168.00	-	-	1,168.00	-	-	1,168.00	1,168.00
(iii) Trade payables (dues of creditors other than micro enterprises and small enterprises)	1,30,969.85	-	-	1,30,969.85	-	1,30,230.60	-	1,30,230.60
(iii) Other financial liabilities	58,816.96	-	-	58,816.96	-	-	58,816.96	58,816.96
	3,58,654.78	-	-	3,58,654.78	-	1,30,230.60	2,27,684.92	3,57,915.54

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

B. Fair values (Contd..)

(i) Accounting classification and fair values (Contd..)

(Currency: Indian rupees in lakhs)

31 March 2018	Carrying amount of financial assets/liabilities				Fair value			
	Amortised Cost	Fair value through profit or loss	Fair value through other comprehensive income	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Financial assets								
(i) Loans	83,642.31	-	-	83,642.31	-	76,512.86	-	76,512.86
(ii) Trade Receivables	16,770.13	-	-	16,770.13	-	-	16,770.13	16,770.13
(iii) Cash and cash equivalents	15,567.77	-	-	15,567.77	-	-	15,567.77	15,567.77
(iv) Bank balances other than above	7.66	-	-	7.66	-	-	7.66	7.66
(v) Others	68,697.09	-	-	68,697.09	-	-	68,697.09	68,697.09
	1,84,684.96	-	-	1,84,684.96	-	76,512.86	1,01,042.65	1,77,555.51
Financial liabilities								
(i) Borrowings	1,68,896.36	-	-	1,68,896.36	-	-	1,68,896.36	1,68,896.36
(ii) Trade payables (dues of micro enterprises and small enterprises)	793.14	-	-	793.14	-	-	793.14	793.14
(iii) Trade payables (dues of creditors other than micro enterprises and small enterprises)	94,469.73	-	94,469.73	-	-	92,964.68	-	92,964.68
(iii) Other financial liabilities	55,490.41	-	55,490.41	-	-	-	55,490.42	55,490.42
	3,19,649.64	-	3,19,649.64	-	-	92,964.68	2,25,179.92	3,18,144.60

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

B. Fair values (Contd..)

(ii) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Premium Liability	Discounted cash flow approach: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate
Retention receivables and payables	Discounted cash flow approach: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate

C. Master netting

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31 March 2019 and 31 March 2018.

(Currency: Indian rupees in lakhs)

	Effects of offsetting on the balance sheet	Related amounts not offset	
	Gross Amounts	Financial instrument collateral	Net amount
31 March 2019			
Financial assets			
Trade receivables	95,888.98	(635.85)	95,253.13
Loans	19,951.44	-	19,951.44
Cash and cash equivalents	8,157.31	(2,447.92)	5,709.39
Bank balances other than above	8.53	-	8.53
Others	3,478.24	(18.30)	3,459.94
Total	1,27,484.50	(3,102.07)	1,24,382.43
Financial liabilities			
Borrowings	1,67,699.98	(3,102.07)	1,64,597.91
Trade payables (dues of micro enterprises and small enterprises)	1,168.00	-	1,168.00
Trade payables (dues of creditors other than micro enterprises and small enterprises)	1,30,230.60	-	1,30,230.60
Other financial liabilities	58,816.96	-	58,816.96
	3,57,915.54	(3,102.07)	3,54,813.47

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

36 Financial instruments – Fair values and risk management (Contd..)

C. Master netting (Contd..)

(Currency: Indian rupees in lakhs)

	Effects of offsetting on the balance sheet	Related amounts not offset	
	Gross Amounts	Financial instrument collateral	Net amount
31 March 2018			
Financial assets			
Trade receivables	76,512.86	(686.39)	75,826.47
Loans	16,770.13	-	16,770.13
Cash and cash equivalents	15,567.77	(15,403.32)	164.45
Bank balances other than above	7.66	-	7.66
Others	68,697.09	(20.52)	68,676.57
Total	1,77,555.51	(16,110.23)	1,61,445.28
Financial liabilities			
Borrowings	1,68,896.36	(16,110.23)	1,52,786.14
Trade payables (dues of micro enterprises and small enterprises)	793.14	-	793.14
Trade payables (dues of creditors other than micro enterprises and small enterprises)	92,964.68	-	92,964.68
Other financial liabilities	55,490.42	-	55,490.42
Total	3,18,144.60	(16,110.23)	3,02,034.37

(a) Offsetting arrangements

(i) Derivatives

The Company enters into derivative contracts for hedging future sales. In general, under such agreements, the amounts owed by each counterparty on a single day in respect of all the transactions outstanding in the same currency are aggregated into a single net amount that is payable/receivable by one party to the other.

(ii) Short term borrowings are secured against the inventory, cash and cash equivalents and trade receivables.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

37 Segment Reporting

A. Operating Segments

(a) Description of Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues & expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has 2 reportable segments as described below:

Reportable segments	Operations
Engineering, Procurement and Construction	Relating to buildings and factories, roads and bridges, water pipelines, metro, power, railways etc.
Developmental Projects	Operation and maintenance of toll roads.

(b) Information about reportable segment

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's management review committee. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

(c) Adjusted EBITDA

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Engineering, Procurement and Construction	34,209.93	29,356.65
Developmental Projects	9,487.31	7,225.74
Total Adjusted EBITDA	43,697.24	36,582.39

Adjusted EBITDA reconciles to profit before income tax as follow :

(Currency: Indian rupees in lakhs)

Particulars	Notes	31 March 2019	31 March 2018
Total Adjusted EBITDA		43,697.24	36,582.39
Finance Cost	22	(23,080.37)	(22,407.18)
Interest Income	17	1,954.84	867.79
Depreciation and Amortisation Expenses	20	(11,032.78)	(9,993.35)
Profit before income tax from continuing operations		11,538.93	5,049.65

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

37 Segment Reporting (Contd..)

A. Operating Segments (Contd..)

(d) Segment Revenue

(Currency: Indian rupees in lakhs)

	31 March 2019			31 March 2018		
	Total Segment Revenue	Inter Segment Revenue	Revenue from External Customers	Total Segment Revenue	Inter Segment Revenue	Revenue from External Customers
Engineering, Procurement and Construction	3,25,472.36	-	3,25,472.36	2,75,573.11	-	2,75,573.11
Developmental Projects	15,250.08	-	15,250.08	13,240.74	-	13,240.74
Total segment revenue	3,40,722.44	-	3,40,722.44	2,88,813.85	-	2,88,813.85

(e) Segment Assets

(Currency: Indian rupees in lakhs)

	31 March 2019			31 March 2018		
	Segment Assets	Investments accounted for using equity method	Additions to non-current assets*	Segment Assets	Investments accounted for using equity method	Additions to non-current assets*
Engineering, Procurement and Construction	3,35,899.61	-	13,096.59	2,84,754.87	-	6,883.37
Developmental Projects	1,66,092.15	-	0.83	1,68,970.13	-	(849.30)
Total Segment Assets	5,01,991.76	-	13,097.42	4,53,725.00	-	6,034.07
Intersegment Eliminations	-	-	-	-	-	-
Total Assets as per the Balance Sheet	5,01,991.76	-	13,097.42	4,53,725.00	-	6,034.07

*Other Than Financial & Deferred Tax Assets

(f) Segment Liabilities

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Engineering, Procurement and Construction	2,98,296.47	2,63,551.07
Developmental Projects	1,46,706.28	1,40,063.93
Total Segment liabilities	4,45,002.75	4,03,615.00
Intersegment Eliminations	-	-
Total liabilities as per the Balance Sheet	4,45,002.75	4,03,615.00

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

37 Segment Reporting (Contd..)

B. Geographical information

i) Revenue

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
India	3,30,419.83	2,68,551.20
All foreign countries		
Ethiopia	9,858.29	12,832.65
Sri Lanka	444.32	7,430.00
Total	3,40,722.44	2,88,813.85

(ii) Non-current assets*

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
India	2,11,385.97	2,06,932.14
All foreign countries		
Ethiopia	4,019.00	4,778.25
Sri Lanka	120.67	220.42
Total	2,15,525.64	2,11,930.81

*Non-current assets exclude trade receivable, deferred tax assets and employee benefit assets.

C. Information about major customers

Revenues from one customer of India represented approximately INR 56,802.71 lakhs (31 March 2018: INR 41,720.97 lakhs) of the Company's total revenues.

38 Loans and borrowings

Breach of loan covenants

Under the terms of the major borrowing facilities, the group is required to comply with the few financial covenants. The Group has complied with these covenants throughout the reporting period as at 31 March 2019.

39 Note for Proposed dividend

The Board of Directors at its meeting held on 8 May 2019 have recommended a payment of final dividend of INR 0.70 per share (31 March 2018 : INR 3.00 per share) of face value of INR 2 (31 March 2018: INR 10) each for the financial year ended 31 March 2019. The same amounts to INR 1,175.34 lakhs (31 March 2018 : INR 1,007.43 lakhs).

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

40 Additional information as required by paragraph 2 of the general instruction for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

31 March 2019

(Currency: Indian rupees in lakhs)

Name of Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Asset	Amount INR in lakhs	As % of Consolidated Profit or (Loss)	Amount INR in lakhs	As % of Consolidated Profit or (Loss)	Amount INR in lakhs	As % of Consolidated Profit or (Loss)	Amount INR in lakhs
Parent								
JMC Projects (India) Limited	162.01%	92,327.77	185.47%	14,213.10	100.00%	520.38	180.03%	14,733.48
Subsidiaries								
Indian								
JMC Mining and Quarries Limited	0.03%	19.29	0.00%	(0.32)	-	-	0.00%	(0.32)
Brij Bhoomi Expressway Private Limited	(1.79%)	(1,021.08)	(10.30%)	(789.25)	-	-	(9.64%)	(789.25)
Wainganga Expressway Private Limited	(10.32%)	(5,883.34)	(44.36%)	(3,399.53)	-	-	(41.54%)	(3,399.53)
Vindhyachal Expressway Private Limited	27.46%	15,650.89	(3.05%)	(233.40)	-	-	(2.85%)	(233.40)
Total interest in all subsidiaries	15.38%	8,765.76	(57.71%)	(4,422.50)	-	-	(54.04%)	(4,422.50)
Joint Venture (as per equity consolidation method)								
Kurukshetra Expressway Private Limited	-	-	(26.75%)	(2,049.75)	-	-	(25.05%)	(2,049.75)
Adjustment arising out of consolidation	(77.39%)	(44,104.52)	(1.01%)	(77.36)	-	-	(0.95%)	(77.36)
Total	100.00%	56,989.01	100.00%	7,663.49	100.00%	520.38	100.00%	8,183.87

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

40 Additional information as required by paragraph 2 of the general instruction for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013 (Contd..)

31 March 2018

(Currency: Indian rupees in lakhs)

Name of Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Asset	Amount INR in lakhs	As % of Consolidated Profit or (Loss)	Amount INR in lakhs	As % of Consolidated Profit or (Loss)	Amount INR in lakhs	As % of Consolidated Profit or (Loss)	Amount INR in lakhs
Parent								
JMC Projects (India) Limited	157.45%	78,899.13	395.31%	10,612.74	100.00%	(80.66)	404.46%	10,532.08
Subsidiaries								
Indian								
JMC Mining and Quarries Limited	0.04%	19.61	(0.01%)	(0.28)	-	-	(0.01%)	(0.28)
Brij Bhoomi Expressway Private Limited	(0.46%)	(231.83)	(35.48%)	(952.56)	-	-	(36.58%)	(952.56)
Wainganga Expressway Private Limited	(4.96%)	(2,483.80)	(143.97%)	(3,865.14)	-	-	(148.43%)	(3,865.14)
Vindhyachal Expressway Private Limited	31.70%	15,884.29	(28.80%)	(773.12)	-	-	(29.69%)	(773.12)
Total interest in all subsidiaries	26.32%	13,188.27	(208.26%)	(5,591.10)	-	-	(214.71%)	(5,591.10)
Joint Venture (as per equity consolidation method)								
Kurukshetra Expressway Private Limited	-	-	(84.57%)	(2,270.52)	-	-	(87.19%)	(2,270.52)
Adjustment arising out of consolidation	(83.77%)	(41,977.40)	(2.48%)	(66.45)	-	-	(2.55%)	(66.45)
Total	100.00%	50,110.00	100.00%	2,684.67	100.00%	(80.66)	100.00%	2,604.01

41 Disclosure on Engineering, Procurement and Construction (EPC) (As per Ind AS 115)

- (a) The Group undertakes Engineering, Procurement and Construction business. The type of work in the contracts with the customers involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations & maintenance etc. The effect of initially applying Ind AS 115 on the Group's revenue from contracts with customers is described in Note 1. The Group has recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at 1 April 2018. Due to the transition method chosen in applying Ind AS 115, comparative information has not been restated to reflect the new requirements.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

41 Disclosure on Engineering, Procurement and Construction (EPC) (As per Ind AS 115) (Contd..)

(b) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018*
Primary geographical markets		
India	3,14,983.00	2,55,301.75
Ethiopia	9,858.29	12,832.65
Sri Lanka	444.32	7,430.00
Total	3,25,285.62	2,75,564.40

*Group has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

(c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018*
Receivables which are included in Trade and other receivables		
Contract assets		
- Amount due from customers on construction contract	32,349.59	26,377.65
- Accrued value of work done net off provision	65,993.67	39,738.56
Contract liabilities		
- Amount due to customers under construction contracts	6,910.97	8,165.18
- Advance from clients	56,185.80	52,994.14

*Group recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at 1 April 2018.

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the period ended 31 March 2019 was impacted by an impairment charge of INR NIL. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred. Amounts due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activity based on normal operating capacity.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

41 Disclosure on Engineering, Procurement and Construction (EPC) (As per Ind AS 115) (Contd..)

(c) Contract balances (Contd..)

Significant changes in contract asset and contract liabilities balances during the period are as follows:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019
Due from contract customers:	
At the beginning of the reporting period (Para 116 (a))	26,377.65
Cost incurred plus attributable profits on contracts-in-progress	8,54,975.68
Progress billings made towards contracts-in-progress	(8,49,003.73)
Due from contract customers impaired during the reporting period (Para 118)	-
Significant change due to other reasons (Eg. Business acquisition etc.)	-
At the end of the reporting period (Para 116 (a))	32,349.59
Due to contract customers:	
At the beginning of the reporting period (Para 116 (a))	(8,165.18)
Revenue recognised that was classified as due to contract customers at the beginning of the reporting period (Para 116 (b))	2,45,879.86
Progress billings made towards contract in progress	(2,44,625.65)
Significant change due to other reasons (para118) (Eg. Business acquisition etc.)	-
At the end of the reporting period (Para 116 (a))	(6,910.97)
Total	25,438.62

As on 31 March 2019, revenue recognised in the current year from performance obligations satisfied/ partially satisfied in the previous year is INR NIL

(d) Performance obligation

The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for construction of highways, water pipeline projects, construction of residential & commercial buildings, and others. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations & maintenance etc.

The Group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Group provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Group enters into multiple contracts with the same customer, the Group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Group recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs. Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

41 Disclosure on Engineering, Procurement and Construction (EPC) (As per Ind AS 115) (Contd..)

(d) Performance obligation (Contd..)

methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognizes the entire estimated loss in the period the loss becomes known.

Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group recognises revenue from Operations & Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at 31 March 2019:

(Currency: Indian rupees in lakhs)

Particulars	Mar-20	Mar-21	2022-2026	Total
Contract Revenue	4,33,180.47	3,93,240.28	54,926.24	8,81,346.99
Total	4,33,180.47	3,93,240.28	54,926.24	8,81,346.99

The Group applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised as at 31 March 2019:

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	1 April 2018*
Contract price of the revenue recognised	3,25,285.62	2,75,564.40
Add: Performance bonus	-	-
Add: Incentives	-	-
Less: Liquidated damages	-	-
Revenue recognised in the Statement of Profit and Loss	3,25,285.62	2,75,564.40

*Group has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

(f) The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' effective April 1, 2018. The Group has elected the option of the modified retrospective approach and there is no material impact on the measurement of revenue and retained earnings as of April 1, 2018. The presentation of certain contract related balances have been changed for the current year only and the previous year balances continues to be disclosed as done in the previous year, in compliance with the requirements of Ind AS 115.

(g) The above disclosures as per Ind AS 115 are made for EPC segment.

Notes to the Consolidated Financial Statements (Contd..)

for the year ended 31 March 2019

42 Capital management

The Group's objectives when managing capital are to

- (i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group monitors capital using a ratio of 'net debt' (total borrowings net of cash & cash equivalents) to 'total equity' (as shown in the balance sheet).

The Group's policy is to keep the ratio below 4.00. The Group's net debt to equity ratios are as follows.

(Currency: Indian rupees in lakhs)

Particulars	31 March 2019	31 March 2018
Net debt (total borrowings (including interest) - cash and cash equivalents)	1,59,542.67	1,53,328.60
Total equity	56,989.01	50,109.99
Net debt to equity ratio	2.80	3.06

43 Regrouping and reclassification

The figures for the previous year regrouped/ reclassified to correspond with current year's classification/ disclosure.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vikas R Kasat

Partner

Membership No: 105317

Mumbai
8 May 2019

Shailendra Kumar Tripathi

CEO & Dy. Managing Director

DIN : 03156123

Mumbai
8 May 2019

For and on behalf of the Board of Directors of

JMC Projects (India) Limited

CIN: L45200GJ1986PLC008717

Manoj Tulsian

Whole-time Director & CFO

DIN : 05117060

Samir Raval

Company Secretary

Membership No: FCS-7520

Notice of Annual General Meeting



Regd. Office: A-104, Shapath 4, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015

Tel: 079 30011500, Fax: 079 30011700, Website: www.jmcprojects.com, E-mail: cs@jmcprojects.com,

CIN: L45200GJ1986PLC008717

Notice is hereby given that the 33rd Annual General Meeting ('AGM') of the Members of **JMC Projects (India) Limited** (the 'Company') will be held on **Monday, July 29, 2019** at **03.00 p.m.** at H. T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015, to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of Financial Statements

To receive, consider and adopt the Audited Standalone Ind AS Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Ind AS Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the Report of the Auditors thereon.

Item No. 2 - Declaration of Dividend

To declare a Final Dividend of ₹ 0.70 (Paise Seventy only) per equity share of face value of ₹ 2/- each, for the financial year 2018-19.

Item No. 3 - Appointment of Mr. Manoj Tulsian (DIN: 05117060) as a Director liable to retire by rotation

To appoint a Director in place of Mr. Manoj Tulsian (DIN: 05117060), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4 - Ratification of remuneration of Cost Auditors

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the

time being in force), M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 000024), appointed as the Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid remuneration of ₹ 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution."

Item No. 5 - Re-appointment and fixing the terms of remuneration of Mr. Manoj Tulsian (DIN: 05117060) as Whole-time Director of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 (the 'Act') read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the

provisions of the Articles of Association of the Company and such approvals, permissions and sanctions as may be required and as agreed to by the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board), the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Manoj Tulsian (DIN: 05117060) as Whole-time Director of the Company designated as Whole-time Director & Chief Financial Officer, liable to retire by rotation, for a period of 3 (three) years commencing from May 27, 2019 to May 26, 2022 (both days inclusive) on such terms and conditions including remuneration as specified in the explanatory statement pursuant to Section 102(1) of the Act to the resolution as per Item No. 5 to this notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or modify the terms of re-appointment including remuneration as may be agreed upon with Mr. Manoj Tulsian, subject to the overall ceiling on remuneration specified in the Schedule V and other applicable provisions of the Act, as may be applicable from time to time.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Act, the remuneration payable to Mr. Manoj Tulsian as the Whole-time Director by way of salary, perquisites, commission and other allowances shall not exceed 5% of the net profit of the Company and if there is more than one Managerial Personnel, the remuneration shall not exceed 10% of the net profit to all such managerial personnel together except with the approval of the members.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during the tenure of Mr. Manoj Tulsian as Whole-time Director, his remuneration, perquisites and other allowances shall be governed and regulated by the limits prescribed in Section II of Part II of Schedule V of the Act or any modifications thereof.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution."

Item No. 6 - Re-appointment and fixing the terms of remuneration of Mr. Shailendra Kumar Tripathi (DIN: 03156123) as CEO & Dy. Managing Director of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 (the 'Act') read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company and such approvals, permissions and sanctions as may be required and as agreed to by the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board), the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Shailendra Kumar Tripathi (DIN: 03156123) as CEO & Dy. Managing Director of the Company, liable to retire by rotation, for a period of 3 (three) years commencing from October 22, 2019 to October 21, 2022 (both days inclusive) on such terms and conditions including remuneration as specified in the explanatory statement pursuant to Section 102(1) of the Act to the resolution as per Item No. 6 to this notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or modify the terms of re-appointment including remuneration as may be agreed upon with Mr. Shailendra Kumar Tripathi, subject to the overall ceiling on remuneration specified in the Schedule V and other applicable provisions of the Act, as may be applicable from time to time.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Act, the remuneration payable to Mr. Shailendra Kumar Tripathi as the CEO & Dy. Managing Director by way of salary, perquisites, commission and other allowances shall not exceed 5% of the net profit of the Company and if there is more than one Managerial Personnel, the remuneration shall not exceed 10% of the net profit to all such managerial personnel together except with the approval of the members.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during the tenure of Mr. Shailendra Kumar Tripathi as CEO & Dy. Managing Director, his remuneration, perquisites and other allowances shall be governed and regulated by the limits prescribed in Section II of Part II of Schedule V of the Act or any modifications thereof.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things

as may be necessary, proper, desirable or expedient to give effect to this resolution.”

Item No. 7 - Re-appointment of Mr. D. R. Mehta (DIN: 01067895) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (the ‘Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), Mr. D. R. Mehta (DIN:01067895), who was appointed as an Independent Director of the Company for a term up to September 26, 2019 and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. D. R. Mehta as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from September 27, 2019 to September 26, 2024 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution.”

Item No. 8 - Re-appointment of Mr. Shailendra Raj Mehta (DIN: 02132246) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (the ‘Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule

IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), Mr. Shailendra Raj Mehta (DIN: 02132246), who was appointed as an Independent Director of the Company for a term up to September 26, 2019 and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Shailendra Raj Mehta as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from September 27, 2019 to September 26, 2024 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution.”

Item No. 9 - Re-appointment of Ms. Anjali Seth (DIN: 05234352) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (the ‘Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), Ms. Anjali Seth (DIN:05234352), who was appointed as an Independent Director of the Company for a term up to May 16, 2020 and who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Ms. Anjali Seth as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from May 17, 2020 to May 16, 2025 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution."

Item No. 10 - Authority to the Board of Directors for creation of charge, security etc. under Section 180(1)(a) of the Companies Act, 2013

To consider and if thought fit, to pass the following resolution as a **Special Resolution**.

"RESOLVED THAT in supersession of the special resolution passed by the members of the Company through Postal Ballot on December 27, 2017 and pursuant to Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (the 'Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee of the Board) for creation of mortgages, charges, security, pledge, hypothecations, interest, covenants and / or encumbrances in addition to the existing mortgages, charges, security, hypothecations, interest etc. created by the Company, on all or any of the present and future assets, undertakings, receivables, projects, agreements, rights, privileges, investments, securities, movable and immovable properties of the Company, in such manner as the Board may deem fit and as may be necessary from time to time, in favor of one or more Indian and / or foreign; financial institutions, banks, investment institutions, mutual funds, trusts, trustees, debenture holders, bond holders, debtors, suppliers, bodies corporate, companies, venture capitalists, governments, authorities and any other persons, including their subsidiaries, associates, agents and trustees (hereinafter referred to as the 'Lenders'), to secure all kind of present and future borrowings, loans, facilities, credits, working capital, debts, liabilities, debentures, bonds, arrangement, securitization, bids,

projects, tenders, performance and any other instrument whether in amount of rupee or foreign currency, together with interest thereon, further interest, additional interest, liquidated damages, premium on prepayment or redemption, costs, charges, expenses, any increase as a result of devaluation, revaluation and fluctuation in the rate of exchange and all other dues payable by the Company to the Lenders, provided that such amount to secure as aforesaid shall not, at any time exceed the limit of ₹ 9,000 Crores (Rupees Nine Thousand Crores only).

RESOLVED FURTHER THAT pursuant to Section 180(1)(a) and all other applicable provisions of the Act and subject to the applicable statutory provisions and approvals, the consent of the members of the Company be and is hereby accorded to the Board of the Company to sale, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company and assets as described herein above to the extent the said section is applicable, on appropriate terms, consideration and in interest of the Company and / or to the extent necessary to meet the covenants with the Lenders in certain events.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized to do such actions and deeds as empowered herein above and as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all deeds, agreements, undertakings, applications, representation, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to any Director or any other Principal Officer of the Company and generally to do all acts, deeds and steps that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

By Order of the Board
For **JMC Projects (India) Limited**

Samir Raval

Company Secretary

May 08, 2019, Mumbai

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM' or 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL / BALLOT INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy duly completed must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting, either in person or through post. A proxy form is sent herewith.

Pursuant to the provisions of Section 105 of the Companies Act, 2013 (the 'Act') read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Member holding more than ten percent of the total share capital of the Company may appoint single person as proxy who shall not act as proxy for any other person or shareholder. If shares are held jointly, proxy form must be signed by all the members. If proxy form is signed by authorized representative of body corporate or attorney, certified copy of board resolution / power of attorney / other authority must be attached with the proxy form.

2. An Explanatory Statement pursuant to Section 102 of the Act relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, July 24, 2019 to Monday, July 29, 2019 (both days inclusive) in connection with the AGM and for determining the names of members eligible for equity dividend, if declared at the AGM.
4. Members who hold shares in dematerialized form are requested to bring details of their demat account (DP ID and client ID) for speedy and easier identification of attendance at the meeting.
5. Corporate Members intending to send their authorised representative to attend the AGM pursuant to Section 113 of the Act are requested to send a duly certified copy of the Resolution authorizing their representative to attend and vote at the meeting.
6. Members may note that the details of the Director seeking re-appointment as required under Regulation

36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) forms an integral part of the notice. Requisite declarations have been received from the Director for seeking his / her re-appointment.

7. Relevant documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection by the members at the Registered Office and Corporate Office of the Company on all working days during business hours and will also be made available at the meeting.
8. The dividend on equity shares, if declared at the AGM, will be payable on or after August 02, 2019 to those members:
 - (a) whose name appears as Member in the Register of Members of the Company on July 23, 2019; and
 - (b) whose name appears in the list of Beneficial Owners on July 23, 2019 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
9. The dividend, if approved, will be paid by crediting in to the bank account as provided by NSDL and CDSL through ECS / NECS / electronic transfer, of those shareholders holding shares in electronic form/ demat and having registered relevant bank details. In respect to those shareholders holding shares in physical form or in case of ECS / NECS / electronic payment rejected, dividend will be paid by dividend warrants / demand drafts.
10. Members are requested to notify immediately any change in their address, bank account details and / or e-mail id to their respective Depository Participant (DP) in respect of their electronic shares / demat accounts and in respect of physical shareholding, to the Registrar and Transfer Agent (RTA) of the Company at M/s. Link Intime India Private Limited, Unit: JMC Projects (India) Limited, 506 to 508, 5th Floor, Amarnath Business Centre - 1 (ABC-1), Near St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad - 380009. Tel. & Fax: 079 26465179, E-mail: ahmedabad@linkintime.co.in
11. Members may opt for the direct credit of dividend / ECS wherein members get the credit of dividend directly

in their designated bank account. This ensures direct and immediate credit with no chance of loss of bank instrument in transit. To avail this facility, the members are requested to update with their DP, the active bank account details including 9 digit MICR code and IFSC code, in case the holding is in dematerialized form. In case of shares held in physical form, the said details may be communicated to the Company or RTA, by quoting registered folio number and attaching photocopy of the cheque leaf of the active bank account along with a self-attested copy of the PAN card.

12. Members can avail the nomination facility in respect of shares held by them in physical form pursuant to Section 72 of the Act read with relevant rules. Members desiring to avail this facility may send their nomination in the prescribed Form SH. 13 duly filled in, signed and send to the Company or RTA.
13. Equity Shares of the Company are traded under the compulsory demat mode on the Stock Exchanges. Considering the advantages of scrip less / demat trading, shareholders are advised to get their shares dematerialized to avail the benefits of scrip less trading.
14. In terms of Listing Regulations, the securities of the listed companies can only be transferred in dematerialized form with effect from April 01, 2019. In view of the same, members are advised to dematerialize shares held by them in physical form.
15. Member / proxy holder shall hand over the attendance slip, duly signed and filled in all respect at the entrance of AGM venue for attending the meeting. Route map of venue of AGM is given in this notice.
16. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least ten days in advance of the AGM date to the Company at its Registered Office / Corporate Office address to enable the Company to collect the relevant information and answer them in the meeting.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Company or the RTA.

18. (a) Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹ 1,57,296/- being the unpaid and unclaimed dividend amount pertaining to Financial Year 2010-11 on August 28, 2018 to the IEPF. Further, the Company has also transferred ₹ 46,309 towards unpaid and unclaimed interest on matured Fixed Deposit on January 08, 2019 to the IEPF.

Details of the unpaid / unclaimed dividend are also uploaded as per the requirements on the Company's website www.jmcprojects.com and on Ministry of Corporate Affairs' website. Members who have not encashed their dividend pertaining to Financial Year 2011-12 onwards are advised to write to the Company immediately claiming dividends declared by the Company.

(b) Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF Authority.

The Company had transferred 2,683 equity shares of ₹ 10/- each to the IEPF Authority on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the due date of September 01, 2018 after following the prescribed procedure.

Further, all the shareholders who have not claimed / encashed their dividends in the last seven consecutive years i.e. Dividend for Financial Year 2011-12 onwards are requested to contact the Company Secretary of the Company or RTA to encash the unclaimed dividend. In this regard, the Company has individually informed the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer are uploaded on the website of the Company viz. www.jmcprojects.com.

The shareholders whose dividend / shares has been transferred to the IEPF Authority can claim their dividend / shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.

19. **COMMUNICATION THROUGH E-MAIL:** The situation of global warming demands preservation and protection of environment, which can be attained and / or sustained by preserving and growing more trees on the earth. In order to protect the environment, we as a responsible citizen can contribute in every possible manner. Considering this object in mind, members are requested to register his / her e-mail id to receive all communication electronically from the Company. This would also be in conformity with the legal provisions.

Members may note that the Company would communicate important and relevant information, notices, intimation, circulars, annual reports, financial statements, any event based documents etc. in electronic form to the e-mail address of the respective members. Further, as per the statutory requirement, the above stated documents are also disseminated on the Company's website www.jmcprojects.com.

Members are requested to support green initiative by registering their e-mail id (a) in case of electronic / demat holding with their respective Depository Participant and (b) in case of physical holding either with the RTA by sending e-mail to ahmedabad@linkintime.co.in or with the Company by sending e-mail to cs@jmcprojects.com by quoting name and folio number.

This initiative would enable the members to receive communication promptly besides paving way for reduction in paper consumption and wastage. You would appreciate this initiative taken by the Ministry of Corporate Affairs and your Company's desire to participate in the initiative. If there is any change in e-mail id, shareholder can update his / her e-mail id in same manner as mentioned above.

The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and Annual Report 2018-19 will also be available on the Company's website www.jmcprojects.com.

20. **PROCEDURE OF VOTING AT AGM**

Members who do not vote by e-voting are entitled to vote at the meeting. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.

Voting to the resolutions as contained in the Notice shall be conducted through ballot / poll. Relevant facility for voting shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting. Members who are entitled to vote can cast their vote through ballot paper in the AGM. The Company will make arrangement in this respect including distribution of ballot papers under the supervision of Scrutinizer appointed for the purpose. Members will need to write on the ballot paper, *inter alia*, relevant Folio no. / DP ID & Client ID and number of shares held etc. If the Company opts to provide facility of electronic voting system at the meeting, then members present at the meeting shall be able to vote as per arrangement made by the Company.

21. **E-VOTING FACILITY**

Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 33rd AGM and accordingly, business / resolutions as mentioned in this Notice shall be transacted through e-voting. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The Company has appointed Mr. Mitesh Dhabliwala (FCS 8331 & CP 9511) and failing him Ms. Sarvari Shah (FCS 9697 & CP 11717) of M/s. Parikh & Associates, Practicing Company Secretaries, to act as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the 33rd AGM. The

members attending the AGM, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The Members whose names appear in the Register of Members / list of Beneficial Owners as on July 23, 2019 ('cut-off date') are entitled to vote on the resolutions set forth in this Notice. Person who is not member as on the said date should treat this Notice for information purpose only.

For any queries / grievances or guidance for e-voting, members may contact Ms. Alpa Ramani at the Corporate Office on landline number 022-3005 1500 or Mr. Ragesh Khatri at the Registered Office on landline number 079-3001 1500 or may write to cs@jmcprojects.com. Member may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com or contact CDSL on 1800225533. On submission of the report by the Scrutinizer, the result of voting at the meeting and e-voting shall be declared. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.jmcprojects.com and on the website of CDSL. The results shall be simultaneously communicated to the stock exchanges.

The Members must refer to the detailed procedure on electronic voting provided below.

The instructions for members for voting electronically are as under.

- (i) The e-voting period begins on July 26, 2019 (09.00 a.m.) and will end on July 28, 2019 (05.00 p.m.). During this period, shareholders of the Company holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e. July 23, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Mailing Slip / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) of JMC Projects (India) Limited to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT." A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App

Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

- (xix) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE 'ACT')

Item No. 4 - Ratification of remuneration of Cost Auditors

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to conduct audit of Cost Records of the Company in respect of Construction, Roads, Infrastructure and other business activities as may be required.

The Board, on the recommendation of the Audit Committee has approved the appointment of M/s. K. G. Goyal & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year ending March 31, 2020, at a remuneration of ₹ 50,000/- (Rupees Fifty

Thousand only) plus applicable taxes and reimbursement of actual out-of-pocket expenses, if any. The remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the Notice.

The Board recommends the passing of an Ordinary Resolution as set out at Item No. 4 of the accompanying Notice.

Item No. 5 – Re-appointment and fixing the terms of remuneration of Mr. Manoj Tulsian (DIN: 05117060) as Whole-time Director of the Company

The Board of Directors of the Company had appointed Mr. Manoj Tulsian (DIN: 05117060) as Whole-time Director of the Company designated as Whole-time Director & Chief Financial Officer for a period of 3 (three) years commencing from May 27, 2016 to May 26, 2019 (both days inclusive). The terms of appointment and payment of remuneration were approved by the members at the 30th AGM of the Company held on August 11, 2016.

In appreciation of his contribution towards the growth of the Company, the Board of Directors based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on May 08, 2019, approved the re-appointment of Mr. Manoj Tulsian as Whole-time Director of the Company for a further period of 3 (three) years effective from May 27, 2019 to May 26, 2022 (both days inclusive), on the terms and conditions including remuneration as mentioned hereunder:

I. Salary and Allowances

Basic Salary	:	₹ 6,08,000/- per month
*Other Allowances / Reimbursement of expenses	:	₹ 9,91,463/- per month
**Retirement Benefits	:	₹ 1,10,537/- per month
Total	:	₹ 17,10,000/- per month

* It includes Medical Reimbursement, Food Coupons, Gift Voucher, Children Education Allowance, Extra Allowance and other perquisites.

** It includes Gratuity as per the Payment of Gratuity Act, Superannuation and Employer's contribution to Provident Fund.

The Whole-time Director shall be entitled to such increments in addition to the above remuneration every year as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

II. Perquisites

CATEGORY A:

- (i) Housing
Free, hard / semi-furnished accommodation owned or hired by the Company.
- (ii) Mediclaim Insurance
Medical Health Insurance premium for self and family under Mediclaim specified under Section 80D of the Income Tax Act, 1961 as per Company's rules.
- (iii) Club Fees
The Company shall pay membership fees of the club at Mumbai.
- (iv) Personal Accident Insurance
Premium for Group Personal Accident Insurance / Term Life Insurance for self.

CATEGORY B:

- (i) Company's chauffeur driven car will be provided.
- (ii) Telephone at residence shall be provided for business related use at Company's expense. Personal outstation calls shall be on personal account.
- (iii) Working hours / days and leaves (including leave encashment) would be as per Company's rules.

III. Profit Linked Incentive / Commission

Such remuneration by way of Profit Linked Incentive / Commission, in addition to the basic salary, allowances, perquisites as calculated with reference to the net profits in a particular financial year subject to minimum of ₹ 45 lakh (Rupees forty five lakh only), as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors within the limit stipulated under Section 197 and Schedule V of the Act including any statutory modifications or re-enactment thereof.

IV. Minimum Remuneration

In the event of loss or inadequacy of profit in any financial year, the Whole-time Director shall, subject

to the approval of the Central Government, if any required, be paid remuneration by way of Salary and Perquisites as specified above subject to restriction, if any, set out in Schedule V of the Act as may be amended from time to time.

V. Termination

The appointment may be terminated by either party by giving to the other 6 month's written notice. However, the appointment may be terminated by less than 6 month's written notice provided reaching upon mutual agreement between the parties.

The period of office of Mr. Tulsian shall be liable to determination by retirement of directors by rotation. If Mr. Tulsian is re-appointed as a director, immediately on retirement by rotation, he shall continue to hold office of Whole-time Director designated as Whole-time Director & Chief Financial Officer and such re-appointment as director shall not be deemed to constitute break in his re-appointment as a Whole-time Director designated as Whole-time Director & Chief Financial Officer.

Mr. Tulsian satisfies all the conditions set out at Part I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. He serves as a member of Risk Management Committee and Management Committee of the Company.

A copy of the agreement / resolution passed by the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on May 08, 2019, as referred to above are available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 33rd AGM of the Company.

The Resolution and Explanatory Statement may be considered as sufficient disclosure and information under the statutory provisions as may be applicable, relevant or necessary.

Save and except Mr. Tulsian and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 5 of the Notice.

The Board recommends the passing of an Ordinary Resolution as set out at Item No. 5 of the accompanying Notice.

Item No. 6 - Re-appointment and fixing the terms of remuneration of Mr. Shailendra Kumar Tripathi (DIN: 03156123) as CEO & Dy. Managing Director of the Company

The Board of Directors of the Company had re-appointed Mr. Shailendra Kumar Tripathi (DIN: 03156123) as CEO & Dy. Managing Director of the Company for a period of 3 (three) years commencing from October 22, 2016 to October 21, 2019 (both days inclusive). The terms of re-appointment and payment of remuneration were approved by the members at the 31st AGM of the Company held on August 10, 2017.

In appreciation of his contribution towards the growth of the Company, the Board of Directors based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on May 08, 2019, approved the re-appointment of Mr. Shailendra Kumar Tripathi as CEO & Dy. Managing Director for a further period of 3 (three) years effective from October 22, 2019 to October 21, 2022 (both days inclusive), on the terms and conditions including remuneration as mentioned hereunder:

I. Salary and Allowances

Basic Salary	:	₹ 9,00,000/- per month
*Other Allowances/ Reimbursement of expenses		₹ 8,15,377/- per month
**Retirement Benefits	:	₹ 1,59,623/- per month
Total	:	₹ 18,75,000/- per month

* It includes Medical Reimbursement, Food Coupons, Gift Voucher, Children Education Allowance, Extra Allowance and other perquisites.

** It includes Gratuity as per the Payment of Gratuity Act, Superannuation and Employer's contribution to Provident Fund.

The CEO & Dy. Managing Director shall be entitled to such increments in addition to the above remuneration every year as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

II. Perquisites

CATEGORY A:

- (i) Housing
Free, hard / semi-furnished accommodation owned or hired by the Company.
- (ii) Mediclaim Insurance
Medical Health Insurance premium for self and family under Mediclaim specified under Section 80D of the Income Tax Act, 1961 as per Company's rules.

(iii) Club Fees

The Company shall pay membership fees of the club at Mumbai.

(iv) Personal Accident Insurance

Premium for Group Personal Accident Insurance / Term Life Insurance for self.

CATEGORY B:

(i) Company's chauffeur driven car will be provided.

(ii) Telephone at residence shall be provided for business related use at Company's expense. Personal outstation calls shall be on personal account.

(iii) Working hours / days and leaves (including leave encashment) would be as per Company's rules.

III. Profit Linked Incentive / Commission

Such remuneration by way of Profit Linked Incentive / Commission, in addition to the basic salary, allowances, perquisites as calculated with reference to the net profits in a particular financial year, as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors within the limit stipulated under Section 197 and Schedule V of the Act including any statutory modifications or re-enactment thereof.

IV. Minimum Remuneration

In the event of loss or inadequacy of profit in any financial year, the CEO & Dy. Managing Director shall, subject to the approval of the Central Government, if any required, be paid remuneration by way of Salary and Perquisites as specified above subject to the restriction, if any, set out in Schedule V of the Act as may be amended from time to time.

V. Termination

The appointment may be terminated by either party by giving to the other 6 month's written notice. However, the appointment may be terminated by less than 6 month's written notice provided reaching upon mutual agreement between the parties.

The period of office of Mr. Tripathi shall be liable to determination by retirement of directors by rotation. If Mr. Tripathi is re-appointed as a director, immediately on retirement by rotation, he shall continue to hold office of CEO & Dy. Managing Director and such re-appointment as director shall not be deemed to

constitute break in his re-appointment as CEO & Dy. Managing Director.

Mr. Tripathi satisfies all the conditions set out at Part I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. He is a Chairman of Share Transfer Committee and Management Committee. He serves as a member of Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Company.

A copy of the agreement / resolution passed by the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on May 08, 2019, as referred to above are available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 33rd AGM of the Company.

The Resolution and Explanatory Statement may be considered as sufficient disclosure and information under the statutory provisions as may be applicable, relevant or necessary.

Save and except Mr. Tripathi and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 6 of the Notice.

The Board recommends the passing of an Ordinary Resolution as set out at Item No. 6 of the accompanying Notice.

Item No. 7 - Re-appointment of Mr. D. R. Mehta (DIN: 01067895) as an Independent Director of the Company

Mr. D. R. Mehta (DIN: 01067895) is an Independent Director and Chairman of the Company. The Members at the 28th AGM of the Company held on September 27, 2014 had approved the appointment of Mr. D. R. Mehta as an Independent Director of the Company to hold office for a term of 5 (five) years up to September 26, 2019.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and in

terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. D. R. Mehta, being eligible for re-appointment as an Independent Director and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the re-appointment of Mr. D. R. Mehta for the office of Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from September 27, 2019 up to September 26, 2024.

As a Chairman of the Board of the Company, Mr. D. R. Mehta brings to the Board extensive leadership including deep knowledge and understanding of the Company's business operations, strategies and the business environment into which the Company operates. His vast experience provides a much needed insight, guidance and support to the management on various matters related to the business of the Company. He serves as a Chairman of Audit Committee and Corporate Social Responsibility Committee of the Company. He is a member of Nomination and Remuneration Committee of the Company.

Mr. D. R. Mehta has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. D. R. Mehta as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. D. R. Mehta as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 33rd AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. D. R. Mehta as an Independent Director and on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, recommends the Special Resolution as set out at Item No. 7 of the Notice of the AGM for approval of the members. The Resolution and Explanatory Statement may be considered as sufficient disclosure and information under the statutory provisions as may be applicable, relevant or necessary.

Save and except Mr. D. R. Mehta and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 7 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 7 of the accompanying Notice.

Item No. 8 - Re-appointment of Mr. Shailendra Raj Mehta (DIN: 02132246) as an Independent Director of the Company

Mr. Shailendra Raj Mehta (DIN: 02132246) is an Independent Director of the Company. The Members at the 28th AGM of the Company held on September 27, 2014 had approved the appointment of Mr. Shailendra Raj Mehta as an Independent Director of the Company to hold office for a term of 5 (five) years up to September 26, 2019.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Shailendra Raj Mehta, being eligible for re-appointment as an Independent Director and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the re-appointment of Mr. Shailendra Raj Mehta for the office of Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from September 27, 2019 up to September 26, 2024.

Mr. Shailendra Raj Mehta is a Chairman of the Nomination and Remuneration Committee and Risk Management Committee. Mr. Shailendra Raj Mehta is a Member of the Audit Committee of the Board of Directors of the Company. Mr. Shailendra Raj Mehta has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Shailendra Raj Mehta as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Shailendra Raj Mehta as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 33rd AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Shailendra Raj Mehta as an Independent Director and on the recommendation

of the Nomination and Remuneration Committee and based on the performance evaluation, recommends the Special Resolution as set out at Item No. 8 of the Notice of the AGM for approval of the members. The Resolution and Explanatory Statement may be considered as sufficient disclosure and information under the statutory provisions as may be applicable, relevant or necessary.

Save and except Mr. Shailendra Raj Mehta and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 8 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 8 of the accompanying Notice.

Item No. 9 - Re-appointment of Ms. Anjali Seth (DIN: 05234352) as an Independent Director of the Company

Ms. Anjali Seth (DIN: 05234352) is an Independent Director of the Company. The Members at the 31st AGM of the Company held on August 10, 2017 had approved the appointment of Ms. Anjali Seth as an Independent Director of the Company to hold office for a term of 3 (three) years up to May 16, 2020.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Ms. Anjali Seth, being eligible for re-appointment as an Independent Director and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the re-appointment of Ms. Anjali Seth for the office of Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from May 17, 2020 up to May 16, 2025.

Ms. Anjali Seth is a Member of the Audit Committee and Stakeholders Relationship Committee of the Company. Ms. Anjali Seth has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Ms. Anjali Seth as required under the Act and Listing Regulations. Copy of the draft letter for

re-appointment of Ms. Anjali Seth as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 33rd AGM of the Company.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Anjali Seth as an Independent Director and on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, recommends the Special Resolution as set out at Item No. 9 of the Notice of the AGM for approval of the members. The Resolution and Explanatory Statement may be considered as sufficient disclosure and information under the statutory provisions as may be applicable, relevant or necessary.

Save and except Ms. Anjali Seth and her relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 9 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 9 of the accompanying Notice.

Item No. 10 - Authority to the Board of Directors for creation of charge, security etc. under Section 180(1)(a) of the Companies Act, 2013

The members of the Company had, through Postal Ballot on December 27, 2017, authorized the Board of Directors of the Company for creation of mortgages, charges etc. for an amount not exceeding ₹ 6,000 Crores (Rupees Six Thousand Crores only).

Keeping in view your Company's business requirements and growth plans, it is considered desirable to borrow monies from time to time as the circumstances may warrant to meet the fund requirement of the Company and to augment its working capital, facilities, credit needs, repay or prepay high cost debts or restructuring of borrowing.

The borrowings and credit facilities availed / to be availed by the Company would need to be secured in manner, as may be agreed with Lenders, including by way of creation of charge, mortgage, pledge, hypothecation and / or encumbrance on or in relation to the Company's assets, properties, undertaking etc. as described in the Resolution.

In the course of business and if circumstances warrant, there may be requirement to sale, lease or otherwise

dispose of the whole or substantially the whole of the undertaking by entering into feasible arrangement to meet the fund requirement and business needs of the Company and considering that the documents to be executed with the Lenders may contain provisions in this respect including to take over substantial assets and undertakings of the Company or enforcement of the security as may be stipulated in that behalf in certain events, it is necessary to pass the resolution enabling the Board to exercise the powers in this respect, if necessary, in the interest of the Company.

The consent of the members is required under the provisions of Section 180(1)(a) and other applicable provisions of the Act, authorizing the Board of Directors of the Company for creation of charge etc. on assets of the Company, as described in the Resolution, for an amount up to ₹ 9,000 Crores (Rupee Nine Thousand Crores only). To avoid doubt, it is clarified that this resolution on coming into effect and being acted upon, would be in supersession of the earlier resolutions passed for the subject matter, however will not affect to or invalidate the acts or deeds already executed under the earlier Resolution.

It is desirable, as a matter of abundant caution also, to authorize the Board sufficiently in respect to matters as mentioned in the Resolution to meet the business requirement of the Company from time to time. Therefore,

it is proposed to authorize and empower the Board to exercise powers in such manner as they think fit in respect to the matters as set out in the subject Resolution.

Subject to the applicable statutory provisions, the Company may enter into arrangement or transaction, in respect to subject matter of resolution, with its Holding Company, Promoters and/or with the Companies/Entities wherein the Promoters, Directors and Key Managerial Personnel of the Company may be Shareholder, Director or otherwise interested or concerned.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 10 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 10 of the accompanying Notice.

By Order of the Board
For **JMC Projects (India) Limited**

May 08, 2019, Mumbai

Samir Raval
Company Secretary

DETAILS OF EXECUTIVE DIRECTOR(S) OF THE COMPANY SEEKING RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

Name of Director	Mr. Manoj Tulsian	Mr. Shailendra Kumar Tripathi
Director Identification No.	05117060	03156123
Date of Birth	December 14, 1971	May 02, 1964
Age	47 Years	55 Years
Date of first appointment	May 27, 2016	October 22, 2011
Terms & conditions of re-appointment	<p>For Item No. 3 of Notice:</p> <p>Director, liable to retire by rotation. Upon his re-appointment, he shall continue to hold office as Whole-time Director designated as Whole-time Director & CFO of the Company.</p> <p>For Item No. 5 of Notice:</p> <p>Re-appointment as Whole-time Director designated as Whole-time Director & CFO for a period of 3 (three) years commencing from May 27, 2019 to May 26, 2022 (both days inclusive), liable to retire by rotation on the terms and conditions including remuneration as provided in the resolution and explanatory statement at Item No. 5.</p>	<p>Re-appointment as CEO & Dy. Managing Director for a period of 3 (three) years commencing from October 22, 2019 to October 21, 2022 (both days inclusive), liable to retire by rotation on the terms and conditions including remuneration as provided in the resolution and explanatory statement at Item No. 6.</p>
Qualification	CA, CS, CWA	B.E. Civil from Government Engineering College, Jabalpur, Madhya Pradesh
Experience / Expertise in functional field and brief resume	Mr. Tulsian has more than 24 years of experience in the field of Finance, Taxation, Legal, Corporate Affairs, Merger & Acquisition and Secretarial matters. He has served organization such as VIP Industries Limited, Gabriel India Limited and Bansal Group.	Mr. Tripathi has more than 33 years of experience in the field of Planning, Execution and implementation of many infrastructure projects involving highways and airports. His technical, strategic decisions and leadership skills coupled with his sound financial and business sense has helped him in securing and successfully implementing many projects in Public Private Partnership model. Mr. Tripathi has worked in major infrastructure Companies like Gammon India Limited, Larsen and Toubro Limited and Oriental Structural Engineers Private Limited.
No. of Shares held in the Company	Nil	Nil
No. of Board Meetings attended during the F.Y. 2018-19	4 out of 4	4 out of 4
Details of remuneration last drawn	He has been paid ₹ 285.68 lakh in F.Y. 2018-19	He has been paid ₹ 355.30 lakh in F.Y. 2018-19
Details of remuneration sought to be paid	As per proposed Resolution at Item No. 5 of the Notice of 33 rd AGM.	As per proposed Resolution at Item No. 6 of the Notice of 33 rd AGM.
Other Directorships	Brij Bhoomi Expressway Private Limited, Wainganga Expressway Private Limited, Vindhyachal Expressway Private Limited	None
Chairpersonship / Membership of Committees of other Companies	None	None
Relationship with other Directors, Manager and Key Managerial Personnel	None	None

DETAILS OF INDEPENDENT DIRECTOR(S) OF THE COMPANY SEEKING RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

Name of Director	Mr. D. R. Mehta	Mr. Shailendra Raj Mehta	Ms. Anjali Seth
Director Identification No.	01067895	02132246	05234352
Date of Birth	June 25, 1937	July 09, 1959	October 25, 1958
Age	81 Years	59 Years	60 Years
Date of first appointment	December 11, 2008	February 08, 2012	May 17, 2017
Terms & conditions of re-appointment	Re-appointment as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from September 27, 2019 to September 26, 2024 (both days inclusive), not liable to retire by rotation.	Re-appointment as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from September 27, 2019 to September 26, 2024 (both days inclusive), not liable to retire by rotation.	Re-appointment as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from May 17, 2020 to May 16, 2025 (both days inclusive), not liable to retire by rotation.
Qualification	B.A., LL.B. and Management Graduate of Royal Institute of Public Administration, London and Alfred Sloan & School of Management MIT-Boston, U.S.A.	B.A., M.A., M.Phil from Balliol College, Oxford University and Ph.D. in Economics from Harvard University.	Bachelor's degree in Law.
Experience / Expertise in functional field and brief resume	He had joined the Indian Administrative Service in 1961. He has rich experience of more than 40 years, during which he held various important positions in Government of Rajasthan, Government of India. He was Deputy Governor of Reserve Bank of India, Chairman of SEBI etc.	He is currently the President & Director of Mudra Institute of Communications (MICA). Earlier, he was Chairman of the Board of Management of Auro University, Provost / Vice Chancellor of Ahmedabad University and also Visiting Professor of Business Policy at the Indian Institute of Management, Ahmedabad. He has been associated with reputed organizations such as IBM, Honeywell, Microsoft, Infosys, State Bank of India and others.	Ms. Anjali Seth has over 30 years of experience in advising top banks, financial institutions and corporates on a range of matters including M&A, PE Investments, industrial and employee relations, corporate governance, real estate negotiation, legal matters, statutory issues and litigations. She has been associated in various positions with International Finance Corporation, ANZ Grindlays Bank, Standard Chartered Bank, Emmar Properties (UAE) and Swadhar Finserve Limited.
No. of Shares held in the Company	Nil	Nil	Nil
No. of Board Meetings attended during the F.Y. 2018-19	4 out of 4	4 out of 4	4 out of 4
Details of remuneration last drawn	He has been paid ₹ 3.50 lakh towards sitting fees and ₹ 33.00 lakh towards commission for the F.Y. 2018-19.	He has been paid ₹ 3.50 lakh towards sitting fees and ₹ 30.00 lakh towards commission for the F.Y. 2018-19.	She has been paid ₹ 3.00 lakh towards sitting fees and ₹ 11.00 lakh towards commission for the F.Y. 2018-19.
Details of remuneration sought to be paid	Besides payment of sitting fees, he is entitled for the commission as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.	Besides payment of sitting fees, he is entitled for the commission as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.	Besides payment of sitting fees, she is entitled for the commission as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Name of Director	Mr. D. R. Mehta		Mr. Shailendra Raj Mehta		Ms. Anjali Seth	
Other Directorships	Glenmark Pharmaceuticals Limited, Jain Irrigation Systems Limited, Poly Medicure Limited, Atul Rajasthan Date Palms Limited, MM Auto Industries Limited, Ashray Homes Buildwell Private Limited		Poly Medicure Limited, S-Ancial Finserv Private Limited, S-Ancial Technologies Private Limited, S-Ancial Global Solutions Private Limited		Centrum Housing Finance Limited, Endurance Technologies Limited, Kalpataru Limited, Caprihans India Limited, ADF Foods Limited, Kalpataru Power Transmission Limited, Centrum Capital Limited	
Chairpersonship / Membership of Committees of other Companies	Name of the Company	Name of Committee	Name of the Company	Name of Committee	Name of the Company	Name of Committee
		Corporate Social Responsibility Committee - Chairperson	Poly Medicure Limited	ESOP Compensation Committee - Member Audit Committee - Member	Endurance Technologies Limited	Stakeholders Relationship Committee - Chairperson
	Poly Medicure Limited	Audit Committee - Member				Audit Committee - Member
		Nomination and Remuneration Committee - Member				Nomination and Remuneration Committee - Member
		Stakeholders Relationship Committee - Member			Centrum Housing Finance Limited	Audit Committee - Chairperson Nomination and Remuneration Committee - Member
	Glenmark Pharmaceuticals Limited	Nomination and Remuneration Committee - Member				Risk Management Committee - Member
		Risk Management Committee - Member			Caprihans India Limited	Corporate Social Responsibility Committee - Member
	Jain Irrigation Systems Limited	Corporate Social Responsibility Committee - Member				Stakeholders Relationship Committee - Member
	Atul Rajasthan Date Palms Limited	Nomination and Remuneration Committee - Member			ADF Foods Limited	Nomination and Remuneration Committee - Member
						Corporate Social Responsibility Committee - Member
Relationship with other Directors, Manager and Key Managerial Personnel	None		None		None	



JMC Projects (India) Limited

(A Kalpataru Group Enterprise)

Regd. Office: A-104, Shapath 4, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015

Tel: 079 30011500, Fax: 079 30011700, Website: www.jmcprojects.com, E-mail: cs@jmcprojects.com,

CIN: L45200GJ1986PLC008717

ATTENDANCE SLIP

I hereby certify that I am a registered member / proxy for the registered member of the Company.

I hereby record my presence at the 33rd **Annual General Meeting** of the Company held on **Monday, July 29, 2019** at **03.00 p.m.** at H. T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015.

Registered Folio No. / DP ID & Client ID

Name and address of the Member

Joint Holder 1

Joint Holder 2

No. of equity shares

Name of the Proxy: _____

Signature of Proxy

Signature of Member

Members may please note the user id and password given below for the purpose of e-voting in terms of Section 108 and applicable provisions of the Companies Act, 2013 and rules framed thereunder.

ELECTRONIC / E-VOTING PARTICULARS

EVSN - Electronic Voting Sequence No.	User ID	Password
190607011		

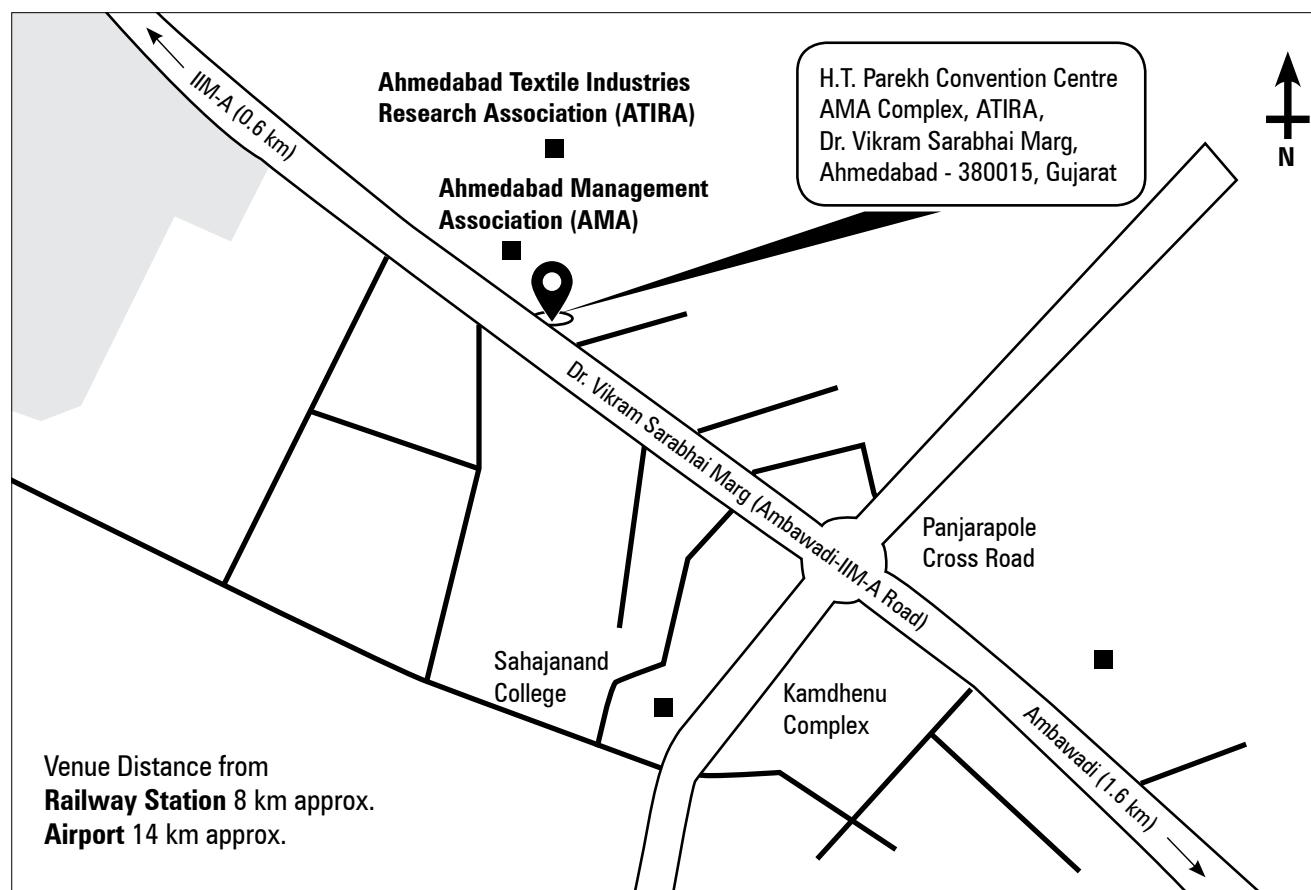
Notes:

1. A Member / Proxy attending the meeting must complete this Attendance slip in legible writing and hand it over at the entrance at the AGM venue. Sign at appropriate place as applicable to you.
2. E-voting period will commence on July 26, 2019 (09.00 a.m.) and will end on July 28, 2019 (05.00 p.m.).
3. Body Corporate / Company, who is a member, may attend through its representative. Original copy of authorization / resolution should be deposited with the Company.
4. Please read the instructions printed under the Notes to the Notice of this AGM.
5. Route map of venue of AGM is given in this Report.

ROUTE MAP / DIRECTION TO THE VENUE OF THE 33RD AGM TO BE HELD ON MONDAY, JULY 29, 2019

Venue: H. T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015

Landmark: Opposite Indian Institute of Management, Ahmedabad





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FORM NO. MGT-11

PROXY FORM

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

Name of Member(s): _____ Registered address & E-mail Id: _____
DP ID & Client ID: _____ Folio No.: _____ No. of equity shares: _____

I / We, being the member(s) holding _____ shares of the above named Company, hereby appoint below at sl. no. 1 or failing him sl. no. 2 or failing him sl. no. 3,

Sl. No.	Name of Proxy	Address & E-mail Id	Signature
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd **Annual General Meeting** of the Company to be held on **Monday, July 29, 2019** at **03.00 p.m.** at H. T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015 and at any adjournment thereof in respect of such resolutions as are indicated below.

Item No.	Resolutions	Vote (Optional, see Note 2)	
		For	Against

Ordinary Business

1.	To consider and adopt the Audited Standalone and Consolidated Ind AS financial statements etc. of the Company for the Financial Year ended March 31, 2019.	_____	_____
2.	To declare dividend for the Financial Year ended March 31, 2019.	_____	_____
3.	To appoint a Director in place of Mr. Manoj Tulsian, who retires by rotation and being eligible, offers himself for re-appointment.	_____	_____

Special Business

4.	To ratify remuneration payable to Cost Auditors M/s. K. G. Goyal & Associates, Cost Accountants for the Financial Year 2019 - 20.	_____	_____
5.	To re-appoint and fixing the terms of remuneration of Mr. Manoj Tulsian as Whole-time Director of the Company.	_____	_____
6.	To re-appoint and fixing the terms of remuneration of Mr. Shailendra Kumar Tripathi as CEO & Dy. Managing Director of the Company.	_____	_____
7.	To re-appoint Mr. D. R. Mehta as an Independent Director of the Company.	_____	_____
8.	To re-appoint Mr. Shailendra Raj Mehta as an Independent Director of the Company.	_____	_____
9.	To re-appoint Ms. Anjali Seth as an Independent Director of the Company.	_____	_____
10.	To grant authority to the Board of Directors for creation of charge, security etc. under Section 180(1)(a) of the Companies Act, 2013.	_____	_____

Signed this _____ day of _____, 2019.

Signature of Proxy holder(s)

Signature of Shareholder

Affix
revenue
stamp

Notes:

- 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 hours before the commencement of the meeting.
- It is optional to indicate your preference by tick mark. If you leave the for / against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

Forward-looking statements/Cautionary statement In this annual report, we have disclosed forward-looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements would be fully realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



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Registered Office

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Ahmedabad - 380 015, Gujarat, India.

Tel: +91 79 30011500 | Fax: +91 79 30011700

Corporate Office

6th Floor, Kalpataru Synergy, Opp. Grand Hyatt,
Santacruz (East), Mumbai - 400 055.

Tel: +91 22 30051500 | Fax: +91 22 30051555

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