



# 32<sup>nd</sup>

Annual Report  
2018-2019

IRP/RP/LIQUIDATOR

SUTANU SINHA

**BOARD OF DIRECTORS\***

<b>E. SUDHIR REDDY</b>	Chairman & Managing Director
<b>T. R. C. BOSE</b>	Independent Director
<b>P. R. TRIPATHI</b>	Independent Director
<b>V. MURAHARI REDDY</b>	Independent Director*
<b>M. HIMA BINDU</b>	Independent Director
<b>RAJEEV N. MEHRA</b>	Nominee Director*

\* Resigned on 16th April 2019 and 17th April 2019

\* The powers of the board of directors were suspended vide NCLT order dated 23 February 2018

**B. SUBRAHMANYAM** Company Secretary

**Statutory Auditors**  
M/s. Chaturvedi & Co.,  
Chartered Accountants  
203, Kushal Bazar, 32-33  
Nehru Place,  
New Delhi – 110019.

**Registered Office**

M-22/3RT, Vijayanagar Colony,  
Hyderabad – 500 057, Telangana, India  
Ph: 91-40-2334 3678 / 3550 / 5130 / 8467  
Fax: 91-40-2334 5004

**Registrar & Transfer Agents**

M/s. KARVY Fintech Private Limited  
Karvy Selenium, Tower B, Plot number 31 & 32,  
Financial District, Gachibowli, Hyderabad 500 032

**Corporate Office**

MIHIR, 8-2-350/5/A/24/1-B&2, Road No. 2,  
Panchavati Colony, Banjara Hills,  
Hyderabad- 500 034, Telangana, India  
Ph: 91-40-2335 6613 /15/18/21/51 to 55,  
30931111/1444 (60 Lines)  
Fax: 91-40-2335 6693

## CONTENTS

Board of Directors .....	01
Notice .....	03
Director's Report .....	05
Report on Corporate Governance .....	21
Management Discussion&Analysis .....	31
Auditor's Report .....	35
Balance Sheet .....	46
Profit and Loss Account .....	47
Statement of Cash Flows .....	48
Statement of Changes in Equity (SOCE) .....	49
Notes forming part of Financial Statements .....	50
Consolidated Financial Statements .....	101
Proxy Form & Attendance Slip .....	195

## NOTICE

Notice is hereby given that Thirty Second Annual General meeting of IVRCL Limited will be held on Friday the 29th day of November, 2019 at 11.00 am at "MIHIR" 8-2-350/5/A/24/1-B & 2 Road No 2, Panchavati Colony, Banjara Hills, Hyderabad - 500 034 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended 31st March, 2019, together with the Reports of Liquidator and Auditors thereon.

### SPECIAL BUSINESS:

#### 2. Ratification of remuneration to be paid to Cost Auditor.

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and such other applicable rules or regulations, if any, the Company hereby ratifies the remuneration of Rs. 2,00,000/- p.a. payable to M/s. Sagar & Associates, who were appointed as Cost Auditor, to audit the cost records of the Company for financial year 2019-20, as approved by the Liquidator.

RESOLVED FURTHER THAT the Liquidator of the Company be and is hereby authorized to do all such acts, deeds, matters and things as he may in his absolute discretion deem fit for giving effect to this resolution.

#### 3. To appoint Auditors to the Branch Offices of the Company.

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

**RESOLVED THAT** pursuant to the provisions of Section 143(8) and the Rules framed thereunder, including the statutory modification(s) or re-enactment thereof for the time being in force, the Company be and is hereby authorized to appoint any person(s) qualified to act as Auditor/Auditors for the Branch Office(s) of the Company, including those which may be opened/acquired hereafter, in India or abroad, and to fix their remuneration.

**Sutanu Sinha**  
**Liquidator of IVRCL Limited**

IP Registration No.IBBI/IPA-003/IP-N00020/2017-18/10167

**Place:** M-22/RT, Vijaynagar colony, Hyderabad

**Date:** 4th September 2019

### NOTES:

1. Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 for the resolutions at items No(s). 2 & 3 is given below.
2. A member entitled to attend and vote at the annual general meeting, is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from November 27, 2019 to November 29, 2019 (both days inclusive).
6. The Notice of the AGM is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depository Participant, 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.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company Secretary at an early date so as to enable the management to keep the information ready.
8. Members attending the Meeting are requested to complete and bring the attendance slip along with Annual Report to the meeting.
9. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. All documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days

## NOTICE

except Saturdays, during business hours, upto the date of the Annual General Meeting.

11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
12. Pursuant to provisions of Section 108 of the Act and the Rules framed hereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (LODR), the members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Ltd, on all resolutions set forth in this Notice. The instructions and other information relating to e-voting are provided in another sheet attached to the Annual Report and shall forms part of this Notice.

**Sutanu Sinha**

**Liquidator of IVRCL Limited**

IP Registration No.IBBI/IPA-003/IP-N00020/2017-18/10167

**Place:** M-22/RT, Vijaynagar colony, Hyderabad

**Date:** 4th September 2019

## EXPLANATORY STATEMENT

**(Pursuant to provisions of Section 102 of the Companies Act, 2013)**

### Item No: 2

As per the provisions of Section 148 of the Act and the Rules made thereunder, Company is required to get the cost accounting records of the company audited by a Cost Accountant. Accordingly the Liquidator of IVRCL has re-appointed M/s. Sagar & Associates, Cost Accountant in practice to audit the Cost accounts of the Company. Pursuant to Rule 14 of the Companies (Audit and Accounts) rules, 2014, the members of the company have to ratify the remuneration as approved by the Liquidator of IVRCL. Accordingly the members' approval, to ratify the remuneration as approved or fixed by Liquidator of IVRCL, is sought at item no. 2 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution set out at item no. 2.

The Liquidator of IVRCL recommends the Ordinary Resolution as set out at item no. 2 of the Notice for approval of the Members.

### Item No: 3

In terms of Section 143(8) of the Act, if a Company has a branch office(s) in India or abroad, then the accounts of that branch office(s) has to be audited either by Company's auditor or by person qualified to audit such accounts. In this regard it is proposed to authorise the liquidator to appoint an auditor for the branch office(s) opened/ to be opened hereafter, for the purpose of getting the accounts of that office audited.

None of the Directors, Key Managerial Personnel and their respective relatives is concerned or interested, in the Resolution set out at Item No. 3 of the Notice.

The Liquidator of IVRCL recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

**Sutanu Sinha**

**Liquidator of IVRCL Limited**

IP Registration No.IBBI/IPA-003/IP-N00020/2017-18/10167

**Place:** M-22/RT, Vijaynagar colony, Hyderabad

**Date:** 4th September 2019

# DIRECTORS' REPORT

To  
The Members,

**IVRCL Limited**

## 1. INITIATION OF CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)

Pursuant to the orders of Hon'ble National Company Law Tribunal (NCLT), Hyderabad, Corporate Insolvency Resolution Process (CIRP) has been initiated in respect of IVRCL Limited ("the Company") under the provisions of the Insolvency and Bankruptcy Code, 2016 ("the Code") with effect from 23rd February, 2018.

In this connection, Mr. Sutanu Sinha has been appointed as Resolution Professional (RP) to carry out the activities relating to CIRP as per the rules, regulations and guidelines prescribed by the Code.

Since the company is under Corporate Insolvency Resolution Process (CIRP), as per Section 17 of the Insolvency & Bankruptcy Code, from the date of appointment of the Resolution Professional -

- the management of the affairs of the company shall vest in the Resolution Professional.
- the powers of the Board of Directors company shall stand suspended and be exercised by the Resolution Professional.
- the officers and managers of the company shall report to the resolution professional and provide access to such documents and records of the company as may be required by the Resolution Professional.
- the financial institutions maintaining accounts of the company shall act on the instructions of the Resolution Professional in relating to such accounts furnish all information relating to the company available with them to the Resolution Professional.

### Liquidation

NCLT by its order dated 26th July 2019 read with corrigendum order dated 31st July 2019 ordered for liquidation of the Company as a going concern and appointed the existing Resolution Professional, Mr Sutanu Sinha as Liquidator of the Company.

## 2. FINANCIAL HIGHLIGHTS

The Liquidator presents the 32nd Annual Report of IVRCL Limited ("Company") with Audited Financial Statements of the Company for the Financial Year 2018-19.



(Rupees in millions)

Particulars	Standalone	
	FY 2018-19	FY 2017-18
Total Revenue	<b>7,292.33</b>	14,134.67
Gross Profit before Interest, Depreciation, Exceptional Item & Tax	<b>(1031.14)</b>	(4,414.13)
Less: Interest	<b>12,191.96</b>	10,138.54
Depreciation	<b>482.43</b>	646.40
Exceptional item	<b>1,732.28</b>	4753.95
Provision for Tax / Reversal of Tax in Current Year	<b>(14.88)</b>	40.89
(Loss)/Profit after Tax	<b>(15,452.70)</b>	(19,912.13)
Balance Brought Forward from the previous year	<b>(41,642.07)</b>	(21,729.94)
Balance carried to Balance Sheet	<b>(57,094.77)</b>	(41,642.07)
Paid-up Capital	<b>1,565.80</b>	1,565.80
Reserves & Surplus	<b>(33,059.57)</b>	(17,606.46)
EBIDTA	<b>(1031.14)</b>	(4,414.13)

## 3. DIVIDEND

Since your company is under Corporate Insolvency Resolution Process (CIRP) and incurring losses the liquidator expresses his inability to recommend any dividend for the Financial year 2018-19.

## 4. PERFORMANCE REVIEW

Your company achieved a gross turnover of ₹7292.34 million for the financial year 2018-19 as against ₹14,134.67 million in the previous financial year. Profit/ (Loss) after Tax (PAT) stood at ₹ (15452.70) million as compared to ₹ (19,912.13) million for the previous financial year.

During the year under review, there is no change in nature of business of the company and no material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

## 5. BUSINESS REVIEW

The Management Discussion and Analysis Section of the Annual Report present a detailed business review of the company.

## 6. CHANGE IN SHARE CAPITAL

There is no change in the share capital of the Company during the year under review. The trading in the shares has been suspended by NSE & BSE.

## DIRECTORS' REPORT

### 7. SUBSIDIARY COMPANIES

The Company has 26 direct subsidiaries and 3 associate companies within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013 respectively (hereinafter referred as "Act"). There has been no material change in nature of business of the subsidiaries. Pursuant to Proviso to Section 129(3) of the Act, a statement containing the salient features, brief details of performance and financials of the Subsidiaries, Associates and Joint Venture Companies, for the financial year ended March 31, 2019 is attached to Financial Statements of the Company.

Pursuant to Section 136 of the Act, the financial statements including consolidated financial statements, other relevant documents and audited accounts of subsidiaries of the company are available at website of the Company [www.ivrcl.com](http://www.ivrcl.com) under Financials Section and will be available for inspection by any member at the Registered office of the Company on all working days during business hours.

The Board has adopted a policy for determining material subsidiaries of the Company, as per SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015. The said policy is hosted at the Company's website at the link [http://ivrcl.com/downloads/PolicyonMaterialSubsidiaries\\_New.pdf](http://ivrcl.com/downloads/PolicyonMaterialSubsidiaries_New.pdf).

### 8. CONSOLIDATED FINANCIAL STATEMENTS

In terms of Section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, Consolidated Financial Statements of the Company prepared in accordance with Accounting Standards issued by Institute of Chartered Accountants of India, are attached and forms part of the Annual Report.

### 9. EMPLOYEE STOCK OPTION SCHEME

The shareholders of the Company at the meeting held on September 26, 2013 approved to grant 1,00,00,000 options to employees of the Company, on such terms and conditions as specified by the Board of Directors of the Company. The Company is yet to grant the said options.

### 10. FIXED DEPOSITS

During year under review, your company has neither invited nor accepted any Fixed Deposits from the public.

### 11. CORPORATE GOVERNANCE

Detailed Report on Corporate Governance as stipulated under Schedule V of SEBI LODR Regulations is provided under separate section and forms part of this Report.

The requisite certificate from Practicing Company Secretaries, confirming the compliance of the conditions stipulated under SEBI LODR Regulations is attached to the Report on Corporate Governance.

### 12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 the Report

on Management Discussion and Analysis is annexed to this report and forms part of the Annual Report.

### 13. POLICY ON CODE OF CONDUCT

The Company laid down a "Code of Conduct" for all Board members and Senior Management Personnel.

Pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, the Declaration by the Liquidator affirming the compliance with the Code of Conduct is attached to the Report on Corporate Governance.

### 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL.

All the Independent Directors of the Company have given declarations to the Company that they meet the criteria of independence as specified under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015. During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transaction with the Company.

The Policy on appointment and remuneration for Directors, Key Managerial Personnel and other employees, as specified under Section 178(3) of the Act and SEBI LODR Regulations, has been disclosed in the Corporate Governance Report.

Mr Rajeev Mehra has resigned as nominee director wef 17th April 2019. Mr Murahari Reddy V, Independent Director also has resigned wef 16th April 2019.

Mr R Balarami Reddy superannuated on 30th June 2019 as CFO and Mr Raghurami Reddy Lella has been appointed as CFO in his place.

Mr P R Tripathi and Mr. TRC Bose have completed their term of 5 years as independent directors and are not been re-appointed in the ensuing General Meeting of the Company.

The term of Mr. E Sudhir Reddy as Chairman & Managing Director ended as on 30th September 2019 and the same is not renewed.

It is proposed to place on record the valuable services of the above directors and CFO during their respective terms of office.

Except as stated above, there has been no changes in Directors and Key Managerial Personnel of the Company.

### 15. MEETINGS OF THE BOARD

No meetings were conducted by the Board of Directors since the powers of the Board of Directors have been suspended w.e.f. 23.02.2018 pursuant to the orders dated 23.02.2018 of Hon'ble National Company Law Tribunal (NCLT).

### 16. BOARD COMMITTEES

The Board had constituted various committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Share Allotment



## DIRECTORS' REPORT

committee, Executive Committee and Corporate Social Responsibility Committee etc., to enable better management of the affairs of the Company, with terms of reference in line with provisions of Companies Act, 2013 and SEBI LODR Regulations.

Since the powers of the Board of Directors have been suspended w.e.f. 23.02.2018 pursuant to the orders dated 23.02.2018 of Hon'ble National Company Law Tribunal (NCLT), the powers of the various committees have also been suspended w.e.f. the same date and no meetings have since been conducted.

### 17. BOARD EVALUATION

Since the powers of the Board of Directors have been suspended w.e.f. 23.02.2018 pursuant to the orders of Hon'ble National Company Law Tribunal (NCLT) dated 23.02.2018, evaluation of Board has not taken place.

### 18. AUDITORS AND THEIR REPORTS

#### Statutory Auditors

M/s. Chaturvedi & Co., Chartered Accountants (Firm Registration No. 302137E) were appointed as Statutory Auditors of the company at the Annual General Meeting held on 29th day of September, 2017, for a period of 5 years [i.e. from the FY 2017-18 to FY 2021-22].

During the year under review, no fraud has been reported by auditors under sub-section(12) of Section 143 of the Act.

The Comments for the qualifications in the Auditor's Report on the financial statements of the Company for financial year 2018-19 are as provided in the notes to accounts which forms part of this report.

#### Secretarial Auditor

As per the provisions of Section 204 of the Act, the Company appointed M/s. D. Hanumanta Raju & Co, Practicing Company Secretaries as Secretarial Auditor for the purpose of auditing the Secretarial activities of the Company for the financial year 2018-19.

The Secretarial audit report issued by the said auditor has been annexed to this report as Annexure A.

#### Cost Auditor

As per the provisions of Section 148 of the Act read with Rules made thereunder, the company appointed M/s. Sagar & Associates, Practicing Cost Accountants as Cost Auditor for the purpose of auditing the Cost accounting records maintained by the company for the financial year 2018-19.

### 19. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

The particulars of loans, investments made and guarantees issued under Section 186 of the Act, during year under review, are provided in notes to financial statements, which forms part of this report.

### 20. RELATED PARTY TRANSACTIONS

As per the requirement of provisions of the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, the Company has formulated a policy on Related Party Transactions (RPT) to ensure the transparency in transactions between the company and related parties. The said RPT Policy is also available at Company's website at the link [http://ivrcl.com/downloads/Related\\_PartyTransactionPolicy.pdf](http://ivrcl.com/downloads/Related_PartyTransactionPolicy.pdf). All Related Party Transactions entered by the Company during the year under review were in ordinary course of business and on Arm's length basis. There were no materially significant related party transactions entered by the company during year under review.

Since all the related party transactions entered into by the Company, were in ordinary course of business and were on Arm's length basis, disclosure in form AOC- 2 as required under Section 134(3)(h) of the Act is not applicable.

The details of related party transactions pursuant to Accounting Standards are provided in notes to financial statements.

### 21. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of operations. The details relating to internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

### 22. RISK MANAGEMENT

The company has established Risk Management process to manage risks with the objective of maximizing shareholders value. The details of various risks that are being faced by the Company are provided in Management Discussion and analysis Report, which forms part of this Report.

### 23. WHISTLE BLOWER POLICY

The Board has adopted a Whistle Blower Policy as stipulated under Section 177(9) of the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 to report the genuine concerns of the employees and Directors.

The Whistle Blower Policy adopted by the Company is hosted on Company's website at the link <http://ivrcl.com/downloads/WhistleBlowerPolicy.pdf>

### 24. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or tribunals impacting the going concern status and Company's operations in future.

### 25. CASES FILED UNDER SEXUAL HARASSMENT ACT

No cases were filed pursuant to the Sexual Harassment of Women at work Place (Prevention, Prohibition and Redressal) Act, 2013, during the year under review.



## DIRECTORS' REPORT

### 26. PARTICULARS OF EMPLOYEES

The statement containing the information pertaining to employees as required under Section 197(12) of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is annexed to this report. Having regard to provisions of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining the said information may write to Company Secretary and the same will be furnished on request.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report.

### 27. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo:

Conservation of Energy is an ongoing process in the Company's activities. The core activity of the company is civil construction which is not an energy intensive activity.

There is no information to be furnished regarding Technology Absorption as your Company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources which needs to be absorbed or adapted.

Innovation is a culture in the Company to achieve cost efficiency in the construction activity to be more and more competitive in the prevailing environment and the effect of the same cannot be quantified.

The particulars of expenditure and earnings in Foreign currency are provided in notes to financial statements.

### 28. CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of the Act, the Company has constituted the CSR committee to formulate, implement and monitor the CSR Policy of the Company. However as the Company does not have average net profits for the three immediately preceding financial years, the Company was not required to make any expenditure on CSR activities during financial year 2018-19 as specified under Section 135(5) of the Act.

Hence the information on CSR activities as required under Section 135(5) of the Act and Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, has not been provided by the Company, for the financial year 2018-19.

### 29. INDUSTRIAL RELATIONS

The Company enjoyed cordial relations with the employees during the year under review and the

Management appreciates the employees of all cadres for their dedicated services to the Company.

### 30. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Liquidator hereby state that:

- (a) in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) the Liquidator had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Liquidator had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Liquidator had prepared the annual accounts on a going concern basis; and
- (e) the Liquidator, in the case of a listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the Liquidator had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 31. CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)

The Company is under CIRP and information pertaining to the process is available at the Company website [www.ivrclinfra.com](http://www.ivrclinfra.com).

### 32. ACKNOWLEDGEMENTS AND APPRECIATIONS

The Liquidator wish to express appreciation of the support and co-operation of the Committee of Creditors, various departments of Central and the State Governments, Bankers, Financial Institutions, Suppliers, Employees, Associates and Subcontractors.

**Sutanu Sinha**

Liquidator for IVRCL Limited

IP Registration No. IBBI/IPA-003/IP-N00020/2017-18/10167

Place: Hyderabad

Date: 4th September 2019

Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19:

S. No.	Name of the Director	Ratio of remuneration of Directors to median remuneration of the employees
1	Mr. E Sudhir Reddy	Not Applicable
2	Mr. P. R. Tripathi	Not Applicable
3	Mr. T. Ramesh Chandra Bose	Not Applicable
4	Mr. V. Murahari Reddy	Not Applicable
5	Ms. M. Hima Bindhu	Not Applicable
6	Mr. Rajeev N Mehra	Not Applicable

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year.

S. No.	Name of the Directors, CEO, CFO, CS	% increase in remuneration in the financial year
1	Mr.E Sudhir Reddy, Chairman & Managing Director	0
2	Mr.R.Balarami Reddy, Chief Financial Officer	0
3	Mr.P.R.Tripathi, Independent Director	0
4	Mr.T.Ramesh Chandra Bose,Independent Director	0
5	Mr.V,Murahari Reddy, Independent Director	0
6	Ms.M.Hima Bindhu, Independent Director	0
7	Mr.Rajeev N Mehra, Nominee Director	0
8	Mr.B.Subrahmanyam, Company Secretary	0

- (iii) The percentage increase in the median remuneration of the employees in the financial year : NIL
- (iv) The number of permanent employees on the rolls of Company as on 31st March 2019 : 913 employees
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL
- (vi) The Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

**Sutanu Sinha**  
Liquidator for IVRCL Limited  
IP Registration No. IBBI/IPA-003/IP-N00020/2017-18/10167

Place: Hyderabad  
Date: 4th September 2019

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2019**

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

**To**  
**The Members,**

**IVRCL LIMITED**  
**M-22/3RT,**  
**VIJAYANAGAR COLONY,**  
**HYDERABAD – 500 057**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IVRCL LIMITED** (hereinafter called the “Company”). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 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 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 (‘SEBI Act’):-
  - 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, 2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the period of audit);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the period of audit);
  - 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 applicable to the Company during the period of audit); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - (Not applicable to the Company during the period of audit)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- (vi) Other laws **specifically** applicable to the company include:
- A. Building and other Constructions Workers (Regulation of Employment and Conditions of Service) Act, 1996.
  - B. Building and other Constructions Workers (Welfare Cess) Act, 1996.
  - C. Contract Labour (Regulation and Abolition) Act, 1970.
  - D. Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

We have also examined compliance with the applicable clauses of 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;

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

- a. Form AOC-4 XBRL is yet to be filed for the Financial Year 2017-18.
- b. Form INC-28 is not filed for the order received from National Company Law Tribunal (NCLT) dated 21/08/2018.
- c. Form MGT-14 is not yet filed for approval of Financial Statements, Director's Report and Appointment of Secretarial Auditors for the Financial Year 2017-18.
- d. In Director's Report, "Amount transferred to reserves, if any" is not disclosed as required u/s 134(3) (j) of the Companies Act, 2013.
- e. In Director's Report, "Extract of Annual Return" as required u/s 134(3) (a) of the Companies Act, 2013 is not disclosed and Form MGT-9 as required under section 92(3) is not annexed to the Director's Report.
- f. Company has not taken up audited financial statements for the Quarter and Year ended 31.03.2018 within 60 days as required under Regulation 33(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has taken up the same on 29.06.2018.
- g. No prior intimation was given to Stock Exchanges for considering the financial statements on 29.06.2018 for the quarter and year ended 31.03.2018 as required under Regulation 29(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- h. Company was required to give five days prior intimation to Stock Exchanges about the date on which the financials were considered for quarter ended 30.09.2018 as required under Regulation 29 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has given only one day prior intimation to stock exchange.
- i. Committee of Creditors (CoC) meeting held on 31.10.2018 provided for physical voting to participants. In the absence of closing time of the meeting, we are unable to comment if the same was intimated within 24 hours as required under Regulation 30(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- j. Prior or post-facto intimation of 9th to 12th CoC meetings conducted were not intimated to the stock exchanges as required under Regulation 30(6) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**We further report that**

As the Company is under Liquidation under Insolvency and Bankruptcy Code (IBC) 2016, Board was suspended and powers of the Board were exercised by Resolution Professional.

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

**We further report that during the period under review:**

- a. Company is under Corporate Insolvency Resolution Process (CIRP) in accordance with extant provisions of Insolvency and Bankruptcy Code (IBC), 2016 and other relevant rules. Committee of Creditors in its meeting held on 07.08.2018 had resolved to seek extension of CIRP period and requested Resolution Professional (RP), Mr. Sutanu Sinha to file the petition

for the same in National Company Law Tribunal (NCLT). Accordingly, IA 316/2018 was filed by RP and Hon'ble NCLT had allowed extension of CIRP period of 90 days beyond 180 days vide its order dated 21.08.2018.

- b. The CIRP period extended by Hon'ble National Company Law Tribunal (NCLT) for a period of 270 days was expired on 27.11.2018 and as per the 16th meeting of Committee of Creditors (CoC) held on 20.11.2018, the members of the CoC has unanimously decided to reject the Resolution Plan application and not to proceed further with the processing of the said Resolution Plan application. As there is no valid Resolution Plan application for the Company as per the terms and conditions of the Expression of Interest and Bid Process Memorandum documents, the CoC requested Resolution Professional to file necessary application with NCLT on or before the end of CIRP period for liquidation of IVRCL on a going concern basis. The Resolution Professional had filed Company Application No. 544 of 2018 U/s 33(2) of Insolvency and Bankruptcy Code, 2016.

Further, the Company received an order from NCLT dated 26.07.2019, for Liquidation of the Company which will be conducted in the manner as laid down in Chapter III of part II of Insolvency and Bankruptcy Code (IBC) 2016 and Mr. Sutanu Sinha was appointed as Liquidator.

- c. Bombay Stock Exchange Limited (BSE) has imposed a penalty of ₹ 19,42,039.28/-including GST for Non Compliance of Regulation 33 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Approval of financial statements for quarter ended 31.03.2018 and the Company replied to the Stock Exchange explaining the reasons due to which it could not approve the financial statements within the prescribed time and also informed that penalty for this violation had been paid to National Stock Exchange of India Limited.
- d. National Stock Exchange of India Limited (NSE) has imposed a penalty of ₹ 1,60,000/- plus GST for Non Compliance of Regulation 33 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Approval of financial statements for quarter ended 31.03.2018 and the Company replied to NSE that they had paid an amount of ₹ 21,89,838/- towards penalty for this violation. Later, they have received an invoice stating that their total penalty towards this violation was ₹ 20,24,638/-.
- e. BSE has imposed a fine of ₹ 10,000 plus GST for not giving sufficient prior intimation of meeting held on 14.11.2018 as per Regulation 29 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where financial results are taken up for quarter ended September 2018 and the Company had replied that the company is under Liquidation under IBC 2016 and powers of Board stand suspended and the same powers are now exercised by "Resolution Professional" and stated that no board meeting was held. There was no further correspondence from BSE on the same.

**For D. HANUMANTA RAJU & CO  
COMPANY SECRETARIES**

**CS D.HANUMANTA RAJU  
PARTNER  
FCS: 4044, CP NO: 1709**

**Place: Hyderabad  
Date: 25.09.2019**

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

**'Annexure A'**

To  
The Members,

**IVRCL LIMITED**  
M-22 /3RT,  
VIJAYANAGAR COLONY,  
HYDERABAD – 500 057

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

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

**For D. HANUMANTA RAJU & CO**  
**COMPANY SECRETARIES**

**CS D.HANUMANTA RAJU**  
**PARTNER**  
**FCS: 4044, CP NO: 1709**

**Place: Hyderabad**  
**Date: 25.09.2019**

## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

CIN	L45201TG1987PLC007959
Registration Date	16.11.1987
Name of the Company	IVRCL Limited
Category/Sub-category of the Company	India Non government company
Address of the Registered office & contact details	M-22/3RT, Vijaya Nagar colony, Hyderabad-500057 040 -23343550, 23343678, Fax:040-23345004 www.ivrcl.com
Whether listed company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Private Limited. Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 008 Phone: +91 040 67161500 Fax : +91 040 23420814 Email Id : einward.ris@karvy.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction & Civil Engineering	41001, 41002, 41003, 42101,42204	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Hindustan Dorr-Oliver Limited (under liquidation)	L74210MH1974PLC017644	Subsidiary Company	55.28%	Section 2(87)
2	Chennai Water Desalination Ltd	U41000TN2005PLC057212	Subsidiary Company	75%	Section 2(87)
3	IVR Hotels & Resorts Limited	U55101AP1995PLC022534	Subsidiary Company	66.88	Section 2(87)
4	RIHIM Developers Private Ltd	U45200AP2008PTC059509	Subsidiary Company	100	Section 2(87)
5	IVRCL PSC Pipes Pvt Ltd	U52341TG1999PTC031125	Subsidiary Company	66.43	Section 2(87)
6	IVRCL Building Products Ltd	U45400TG2007PLC055367	Subsidiary Company	60	Section 2(87)
7	IVR Enviro Projects Private Ltd	U74210AP1997PTC027921	Subsidiary Company	97.49	Section 2(87)
8	Alkor Petroo Ltd	U23209TG2002PLC039393	Subsidiary Company	64.03	Section 2(87)



S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
9	IVRCL Cadagua Hogenakkal Water Treatment Co Pvt Ltd	U41000TG2010PTC067081	Subsidiary Company	60	Section 2(87)
10	IVRCL Steel Construction & Services Ltd	U27109TG2005PLC046635	Subsidiary Company	100	Section 2(87)
11	IVRCL Patalganga Truck Terminals P Ltd	U45209TG2010PTC068388	Subsidiary Company	100	Section 2(87)
12	IVRCL TLT Private Limited	U40300TG2008PTC059517	Subsidiary Company	100	Section 2(87)
13	SALEM TOLLWAYS LIMITED	U45200TG2005PLC047961	Subsidiary Company	100	Section 2(87)
14	KUMARAPALAYAM TOLLWAYS LIMITED	U45200TG2005PLC047960	Subsidiary Company	100	Section 2(87)
15	JALANDHAR AMRITSAR TOLLWAYS LIMIED	U00501DL2005PLC139732	Subsidiary Company	100	Section 2(87)
16	IVRCL CHENGAPALLI TOLLWAYS LIMITED	U45203TG2010PLC066886	Subsidiary Company	100	Section 2(87)
17	SPB DEVELOPERS PRIVATE LIMITED	U45202PN2009PTC134617	Subsidiary Company	100	Section 2(87)
18	IVRCL GUNDUGOLANU RAJAHMUNDY TOLLWAYS LIMITED	U45209TG2012PLC080334	Subsidiary Company	100	Section 2(87)
19	IVRCL PATIALA BATHINDA TOLLWAYS LIMITED	U45203TG2012PLC080434	Subsidiary Company	100	Section 2(87)
20	IVRCL NARNAUL BHIWANI TOLLWAYS LIMITED	U45209TG2012PLC078841	Subsidiary Company	100	Section 2(87)
21	IVRCL RAIPUR-BILASPUR TOLLWAYS LIMITED	U45203TG2011PLC077919	Subsidiary Company	100	Section 2(87)
22	IVRCL EPC LIMITED	U45400TG2016PLC103223	Subsidiary Company	100	Section 2(87)
23	FIRST STP PRIVATE LIMITED	U90002TN2000PTC046067	Subsidiary Company	95	Section 2(87)
24	IVRCL CHANDRAPUR TOLLWAYS LIMITED	U45203TG2010PLC070923	Subsidiary Company	100	Section 2(87)
25	SAPTASHVA SOLAR LIMITED	U40106TG2007PLC054824	Subsidiary Company	51	Section 2(87)
26	IVRCL Lanka Private Ltd	Not Applicable	Subsidiary Company	100	Section 2(87)
27	IVRCL International Infrastructures & Projects LLC	Not Applicable	Associate Company	49	Section 2(6)
28	Sushee IVRCL Arunchal Highways Limited	U45209TG2011PLC076753	Associate Company	26	Section 2(6)
29	IVRCL INDORE GUJARAT TOLLWAYS LIMITED	U45209TG2010PLC066747	Associate Company	49	Section 2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

## Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2018				No. of Shares held at the end of the year i.e. 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
(1) Indian									
a) Individual/ HUF	22245976	--	22245976	2.84	22245976	--	22245976	2.84	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	19786190	--	19786190	2.53	19786190	--	19786190	2.53	---
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub Total (A)(1)	42032166	--	42032166	5.37	42032166	--	42032166	5.37	---
<b>(2).Foreign</b>									
a.NRIs-Individuals	--	--	--	--	--	--	--	--	--
b.Other Individuals	--	--	--	--	--	--	--	--	--
C.Body Corporates	--	--	--	--	--	--	--	--	--
d. Banks/FIs	--	--	--	--	--	--	--	--	--
e.Any other	--	--	--	--	--	--	--	--	--
Sub Total (A)(2)	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoters (A)=(A)(1)+(A)(2)</b>	<b>42032166</b>	<b>--</b>	<b>42032166</b>	<b>5.37</b>	<b>42032166</b>	<b>--</b>	<b>42032166</b>	<b>5.37</b>	<b>--</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	436985854	--	436985854	55.82	392108622	--	392108622	50.08	-5.74
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	578642	--	578642	0.07	578642	--	578642	0.07	--
g) FIs	65836	--	65836	0.01	5347238	--	5347238	0.68	0.67
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	<b>437630332</b>	<b>--</b>	<b>437630332</b>	<b>55.90</b>	<b>398034502</b>	<b>--</b>	<b>398034502</b>	<b>50.83</b>	<b>-5.07</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	75258810	39625	75298435	9.62	64698789	28000	64726789	8.27	-1.35
ii) Overseas	--	--	--	--	--	--	--	--	--
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	180236290	231633	180467923	23.05	202051811	179283	202231094	25.83	2.78
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	33613962	--	33613962	4.29	60457524	--	60457524	7.72	3.43

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2018				No. of Shares held at the end of the year i.e. 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Non Resident Indians	10972689	--	10972689	1.40	13203990	--	13203990	1.69	0.29
NBFCs Registered with RBI	205195	--	205195	0.03	82038	--	82038	0.01	-0.02
Foreign Nationals	25966	--	25966	0.00	966	--	966	0.00	0.00
Clearing Members	2369333	--	2369333	0.30	1465423	--	1465423	0.19	-0.11
Trusts	1080	--	1080	0.00	1129	--	1129	0.00	--
IEPF	280611	--	280611	0.04	662071	--	662071	0.08	0.04
<b>Sub-total (B)(2):-</b>	<b>302963936</b>	<b>271258</b>	<b>303235194</b>	<b>38.73</b>	<b>342623741</b>	<b>207283</b>	<b>342831024</b>	<b>43.79</b>	
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>740594268</b>	<b>271258</b>	<b>740865526</b>	<b>94.63</b>	<b>740658243</b>	<b>207283</b>	<b>740865526</b>	<b>94.63</b>	
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>782626434</b>	<b>271258</b>	<b>782897692</b>	<b>100.00%</b>	<b>782690409</b>	<b>207283</b>	<b>782897692</b>	<b>100.00%</b>	

**B) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year i.e 01.04.2018			Shareholding at the end of the year i.e 31.03.2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	E. Sudhir Reddy	15120906	1.93	100.00	15120906	1.93	100.00	NIL
2	E. Siddhanth Reddy	30000	0.00	100.00	30000	0.00	100.00	NIL
3	E. Sanjeeth Reddy	30000	0.00	100.00	30000	0.00	100.00	NIL
4	E. Sujatha Reddy	18000	0.00	100.00	18000	0.00	100.00	NIL
5	E. Sunil Reddy	2511010	0.32	100.00	2511010	0.32	100.00	NIL
6	E. Indira Reddy	290360	0.04	100.00	290360	0.04	100.00	NIL
7	E. Sudhir Reddy (HUF)	3147000	0.40	100.00	3147000	0.40	100.00	NIL
8	E. Sunil Reddy (HUF)	1078700	0.14	100.00	1078700	0.14	100.00	NIL
9	E. Soma Reddy	10000	0.00	100.00	10000	0.00	100.00	NIL
10	E. Suha Reddy	10000	0.00	100.00	10000	0.00	100.00	NIL
11	M/s. Eragam Finlease Limited	5185884	0.66	100.00	5185884	0.66	100.00	NIL
12	M/s. S. V. Equities Limited	2621390	0.33	100.00	2621390	0.33	100.00	NIL
13	M/s. Indus Palms Hotels & Resorts Ltd	203750	0.03	NIL	203750	0.03	100.00	NIL
14	M/s.Palladium Infrastructures & Projects Limited	46416	0.01	NIL	46416	0.01	100.00	NIL
15	M/s. Soma Hotels & Resorts Ltd	11728750	1.50	NIL	11728750	1.50	100.00	NIL
	<b>TOTAL</b>	<b>42032166</b>	<b>5.37</b>		<b>42032166</b>	<b>5.37</b>	<b>100.00</b>	

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

SN	Particulars	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There is no change in Promoter's Shareholding between 01.04.2018 to 31.03.2019			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

**D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No of Shares	% of total shares of the Company	Increase	Decrease	No of shares	% of total shares of the Company
1	CANARA BANK	55521825	7.09		76500	55445325	7.08
2	CORPORATION BANK	33279084	4.25	--	--	33279084	4.25
3	ICICI BANK LTD	62486020	7.98	--	--	62486020	7.98
4	INDIAN OVERSEAS BANK	62547429	7.99	--	--	62547429	7.99
5	INTERNATIONAL ASSET RECONSTRUCTION CO PVT LTD	20680371	2.64	--	--	20680371	2.64
6	STATE BANK OF INDIA	49409934	6.31	--	--	49409934	6.31
7	DBS BANK LIMITED	31707843	4.05	--	31707843	0	0
8	TAMILNAD MERCANTILE BANK LIMITED	21752527	2.78	--	--	21752527	2.78
9	ANDHRA BANK	37204623	4.75	--	--	37204623	4.75
10	IDBI BANK LTD.	52810191	6.75	--	13000000	39810191	5.08

**E) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Director and KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No of Shares	% of total shares of the Company	Increase	Decrease	No of shares	% of total shares of the Company
1	Sri.E. Sudhir Reddy	15120906	1.93	--	--	15120906	1.93
2	Sri. R. Balarami Reddy	--	--	---	--	-	-
3	Sri. P.R. Tripathi	--	--	--	--	--	--
4	Sri. T.R.C. Bose	--	--	--	--	--	--
5	Sri. V. Murahari Reddy	--	--	--	--	--	--
6	Smt. M. Hima Bindu	--	--	--	--	--	--
7	Sri. B. Subrahmanyam	--	--	--	--	--	--

**F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	57287.41	4891.54	--	62178.95
i) Principal Amount	14812.34	585.99	--	15398.33
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>72099.75</b>	<b>5477.53</b>	--	<b>77577.28</b>
Change in Indebtedness during the financial year	--	--	--	--
Net Change	11550.51	3452.98	--	15003.49
Indebtedness at the end of the financial year	--	--	--	--
i) Principal Amount	63576.00	7004.88	--	70580.88
ii) Interest due but not paid	20074.26	1925.63	--	21999.89
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>83650.26</b>	<b>8930.51</b>	--	<b>92580.77</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-----	----	----	---	
1	Gross salary	<b>NIL</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify...					
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		P.R. Tripathi	T.R.C. Bose	V. Murahari Reddy	M. Hima Bindu	
1	Independent Directors					
	Fee for attending board / committee meetings	---	---	---	---	---
	Commission	---	---	---	---	---
	Others, please specify	---	---	---	---	---
	<b>Total (1)</b>	---	---	---	---	---
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	---	---	---	---	---
	Commission	---	---	---	---	---
	Others, please specify	---	---	---	---	---
	<b>Total (2)</b>	---	---	---	---	---
	<b>Total (B)=(1+2)</b>	---	---	---	---	---
	<b>Total Managerial Remuneration</b>					
	Overall Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	TOTAL
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54.28	19.43	73.71
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.87	1.17	4.04
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	- as % of profit	--	--	--
	others, specify...	--	--	--
5	Others, please specify	--	--	--
	<b>TOTAL</b>	<b>57.15</b>	<b>20.60</b>	<b>81.79</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

During the quarter ended June 30, 2018, the Company has delayed in submitting the financial results for the year and quarter ended March 31, 2018 to the Stock Exchanges due to delay in finalizing accounts. The Exchanges has imposed fine for delay in submission of Results which the Company has paid within the due date. There were no major non-compliances except as stated above relating to the Capital Markets. There are no other penalty / strictures imposed on the Company by SEBI or any other statutory authority on such matters.

**Sutanu Sinha**

Liquidator for IVRCL Limited

IP Registration No. IBBI/IPA-003/IP-N00020/2017-18/10167

Place: Hyderabad

Date: 4th September 2019

# Report on Corporate Governance

## 1. IVRCL PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in transparency, empowerment, accountability and integrity in its operations having duly delegated authority to the various functional heads who are responsible for attaining the corporate plans with the ultimate purpose of enhancement of “stake holder value”.

The Company has professionals on its Board of Directors who are actively involved in the deliberation of the Board. However the Company was admitted into Corporate Insolvency Resolution Process (CIRP) by National Company Law Tribunal (NCLT) vide order dated 23rd February 2018 under Section 7 of the Insolvency and Bankruptcy Code, 2016 and the powers of the existing Board of Directors of the Company are suspended from the date of the order as per Section 17 of the IBC and vested with Mr. Sutanu Sinha, Resolution Professional. Since the Powers of the Board of Directors are vested with the Resolution Professional the management of the affairs of the Company will be under the overall control, supervision and guidance of the Resolution professional from the date of the order till the completion of Corporate Insolvency Resolution Process. The Powers vested with the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee will also be exercised by the Resolution Professional. The Status of the Board of Directors and Committees are as on the date of the NCLT order.

## 2. BOARD OF DIRECTORS

- i. The Company has six directors on the Board as on March 31, 2019, of which four are independent Directors. The Company has an Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. Thus, the composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (LODR)
- ii. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Regulation 26 of LODR, across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as at March 31, 2019 have been made by the Directors. None of the Directors are related to each other.
- iii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Chairmanship / Membership of Board Committees include only Audit and Stakeholders’ Grievance Committees.
- iv. The list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board is not applicable as the Company is under CIRP.
- v. Confirmation of the board, about the independent directors fulfilling the conditions specified in these regulations and are independent of the management is not applicable as the company is under CIRP.

### a. The Board of Directors of the Company consists:

#### Non – Executive Directors

##### A. Independent

Mr. P.R.Tripathi

Mr. T.R.C.Bose

Mr. V. Murahari Reddy – Resigned on 16th April 2019

Mrs. M. Hima Bindu

Mr. Rajeev N. Mehra - Nominee Director - Resigned on 17th April 2019

##### B. Executive Directors

Chairman & Managing Director Mr. E. Sudhir Reddy

### b. Attendance at Board Meetings and last A.G.M and details of memberships of Directors in other Boards and Board Committees.

No meetings of the Board of Directors were held as the Company is under CIRP



The last Annual General Meeting was held on Monday, the 28th September, 2018.

Name of the Director	Categories of Directorship	No. of Board Meetings attended	Attendance at last AGM	Directorship in other companies	No. of Committees held in other Public Limited Companies	
					Chairman	Member
Mr. E. Sudhir Reddy	CMD	N.A	NO	6	NIL	1
Mr. T.R.C. Bose	I & NED	N.A	NO	6	NIL	6
Mr. P.R. Tripathi	I & NED	N.A	NO	7	3	1
Mr. V. Murahari Reddy #	I & NED	N.A	NO	3	NIL	1
Ms. M. Hima bindu	I & NED	N.A	NO	9	NIL	6
Mr. Rajeev N. Mehra*	Nominee Director	N.A	NO	NIL	NIL	NIL

# Resigned on 16th April 2019

\* Resigned on 17th April 2019

I & NED Independent & Non-Executive Director

CMD Chairman & Managing Director

Shares held by Non-Executive Directors as on March 31, 2019.

Name of the Director	Numbers of Shares held	% of the Paid-up Capital of the Company
Mr. P.R. Tripathi	NIL	NIL
Mr. T.R.C. Bose	NIL	NIL
Mr. V. Murahari Reddy	NIL	NIL
Ms. M. Hima Bindu	NIL	NIL
Mr. Rajeev N. Mehra	NIL	NIL

#### Familiarisation Programme

The Company, on a regular basis, makes detailed presentations to the entire Board including Independent Directors on the Company's operations and business plans, the nature of industries in which the Company operates and the model of its respective businesses. Such presentations are made by the senior management/leadership team/function heads so that the Independent Directors can have direct interaction with them. Since the Company is under CIRP no familiarisation programme has been conducted during the year.

### 3. AUDIT COMMITTEE

The Audit Committee has been constituted by the Board of Directors in accordance with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**The terms of reference of the Audit Committee are broadly as under:**

The role and the Information reviewed by the Audit Committee are as envisaged in the Companies Act and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Statutory Auditors and Internal Auditors of the Company will be invited to join the Audit Committee Meetings for discussions on issues relevant to them. The Company Secretary acts as the Secretary to the Committee.

The Composition of the audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings held during the financial year 2018-2019	
		Held	Attended
Mr. P. R. Tripathi	Chairman – Independent	N.A	N.A
Mr. T.R.C. Bose	Member – Independent	N.A	N.A
Mr. V. Murahari Reddy	Member - Independent	N.A	N.A
Ms. M. Hima Bindu	Member - Independent	N.A	N.A

No meetings of the Audit Committee were held as the Company is under CIRP

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been constituted by the Board of Directors in accordance with the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### The Role of the Nomination and Remuneration Committee.

The Role of the Nomination and Remuneration Committee is as envisaged in the Companies Act and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

**The Composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:**

Name	Category	Number of meetings held during the financial year 2018-2019	
		Held	Attended
Mr. P. R. Tripathi	Chairman – Independent	N.A	N.A
Mr. T.R.C. Bose	Member – Independent	N.A	N.A
Mr. V. Murahari Reddy	Member - Independent	N.A	N.A

No meetings of the Nomination and Remuneration Committee were held as the Company is under CIRP.

##### Performance evaluation criteria for Independent Directors

- Does he/she understand and support the mission of the company?
- Is he/she knowledgeable about the company's products and services?
- Does he/she read and understand the company's financial statements?
- Attendance and participations in the meetings and timely inputs on the minutes of the meetings.
- Adherence to ethical standards & code of conduct of Company and disclosure of non independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Interpersonal relations with other directors and management.
- Objective evaluation of Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information

#### 5. Remuneration Of Directors:

- The Pecuniary relationship or transactions with the Non-executive Directors have been disclosed as part of transactions with Key Managerial Personnel / relatives within the annual report.

- ii) The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and perquisites besides Employee Stock Options. Individual performance pay including Key Managerial Personnel's pay is determined by business performance and the performance of the individuals is measured through annual appraisal policy of the Company.
- iii) The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director. The other Executive Directors are compensated by way of salary, benefits, perquisites and allowances (fixed component) as decided by the Nomination & Remuneration Committee and approved by the members from time-to-time.

- iv) Criteria of making payments to non – Executive Directors

The Company follows the below criteria for making payment to Non - Executive Directors ;

1. Numbers of Board / Committee meetings attended
2. Sitting fees at the rate of Rs.20,000/- per meeting for attendance at the meetings of the Board or any committee thereof for non-executive directors as per the Articles of Association of the Company is paid. Further, reimbursement of actual travel and out of pocket expenses incurred for attending such meetings is also made.

- v) There is at present no other component of remuneration to non-executive directors.

**The details of remuneration to all the Directors for the period is as follows:**

- i) Non Executive Directors (sitting fee only) (in Rupees)

Mr. P. R. Tripathi	NIL
Mr. T. R. C. Bose	NIL
Mr. V. Murahari Reddy	NIL
Ms. M. Hima Bindu	NIL
Mr. Rajeev N.Mehra	NIL

- ii) Managing / Whole-time Director(s) (No Sitting Fees)

**(In Rupees)**

Name and Designation	Fixed Component Salary	Variable Component	Total
Mr. E. Sudhir Reddy Chairman & Managing Director	NIL	NIL	NIL

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted by the Board of Directors in accordance with the requirement of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **The Role of the Stakeholders Relationship Committee.**

The Role of the Stakeholders Relationship Committee is as envisaged in Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are given below:

No meetings of the Stakeholders Relationship Committee were held as the Company is under CIRP.

Name	Category	Number of meetings held during the financial year 2018-2019	
		Held	Attended
Mr. P. R. Tripathi	Chairman	N.A	N.A
Mr. E. Sudhir Reddy	Member	N.A	N.A
Mr. Murahari Reddy	Member	N.A	N.A

Mr. B. Subrahmanyam, Company Secretary is the Compliance Officer.

During the year, the Company received 38 complaints and all the complaints were resolved to the satisfaction of the Investors and there are no pending complaints.

## 7. GENERAL BODY MEETINGS

Details of location and time of holding the last three AGMs.

Year	Location	Date & Time
29th AGM – 2016	The Federation of Andhra Pradesh chambers of Commerce & Industry, Redhills, Hyderabad	At 3.30 PM on September 26 2016
30th AGM – 2017	The Federation of Andhra Pradesh chambers of Commerce & Industry, Redhills, Hyderabad	At 10.30 AM on September 29 2017
31st AGM – 2018	The Federation of Andhra Pradesh chambers of Commerce & Industry, Redhills, Hyderabad	At 11.00 AM on September 28 2018

The following special resolutions were passed at the 29th Annual General Meeting of the Members of the Company held on 26th September, 2016:

- To re-appoint Mr. R. Balarami Reddy as Joint Managing Director
- Remuneration payable to Mr. K. Ashok Reddy, Joint Managing Director.
- To adopt new Articles of Association of the Company.

The following special resolutions were passed at the 30th Annual General Meeting of the Members of the Company held on 29th September, 2017:

- Remuneration payable to Mr. E. Sudhir Reddy, Chairman & Managing Director, for rest of his tenure.
- Appointment of Mr. Ch. Subrahmanya Gopal as Executive Director.

**No Special Resolutions passed at the 31st Annual General Meeting held on 28th September 2018.**

**Details of Special Resolutions passed through postal ballots during the year:**

No Resolution was passed by Postal ballot during the year.

There is no proposal to transact any resolution through Postal Ballot.

## 8. MEANS OF COMMUNICATION

The quarterly results are being published in English Newspapers like Economic Times, Business Standard and/or Financial Express having all India circulation and one in Vernacular language i.e. in Telugu. The quarterly results and official press releases are also displayed on the Company's website [www.ivrcl.com](http://www.ivrcl.com).

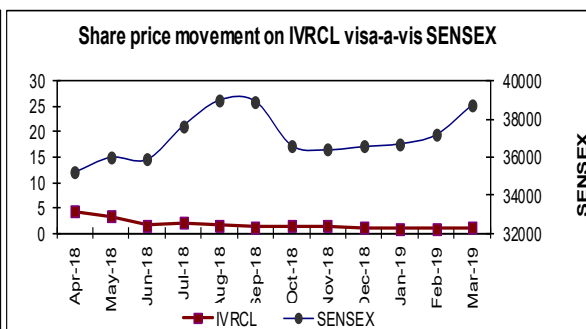
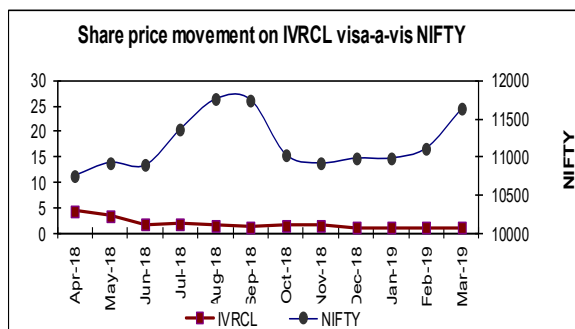
The gist of presentations made to the institutional investors or to analysts are also published on the Company's website. The Management Discussion and Analysis report is made a part of this annual report.

In compliance with the listing Regulations the Company created a separate email id viz., [in\\_grievances@ivrinfra.com](mailto:in_grievances@ivrinfra.com) for speedy redressal of investor grievances

## 9 GENERAL SHAREHOLDER INFORMATION

- a. 32nd Annual General Meeting : 29th November 2019, at 11.00.A.M  
 • Date and Time "MIHIR" 8-2-350/5/A/24/1-B & 2 Road No 2, Panchavati  
 • Venue Colony, Banjara Hills, Hyderabad - 500 034
- b. Financial Year  
 Year ending March 31  
 Un-audited financial results for the quarter ending Will be published in August 2018  
 June 30, 2019 Will be published in November 2019  
 Un-audited/audited results for the quarter / half- Will be published in February 2020  
 year ending September 30, 2019 Will be published in May 2020  
 Un-audited results for the quarter ending  
 December 31, 2019  
 Audited results for the year ending March 31, 2020
- c. Book Closure: From : 27th November 2019 to 29th November 2019 (Both days inclusive)  
 No dividend has been recommended
- d. Dividend payment date
- e. The equity shares of the Company are listed on
- f. Stock Code :  
 i) trading Symbol at  
 ii) ISIN Numbers in CDSL & NSDL
- g. Credit Ratings: The Present credit ratings for the debt of the Company is "D"

### Stock Market Data:



Month	The Bombay Stock Exchange,				National Stock Exchange			
	Share Price		Sensex		Share Price		S&P CNX Nifty	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
Apr- 2018	4.31	2.88	35213.3	32972.56	4.35	3.05	10759	10111.3
May-2018	3.45	1.68	35993.53	34302.89	3.45	1.75	10929.2	10417.8
Jun-2018	1.65	1.19	35877.41	34784.68	1.70	1.20	10893.25	10550.9
July-2018	2.10	1.32	37644.59	35106.57	1.85	1.35	11366	10604.65
Aug-2018	1.55	1.23	38989.65	37128.99	1.55	1.25	11760.2	11234.95
Sep-2018	1.35	0.95	38934.35	35985.63	1.30	0.95	11751.8	10850.3
Oct-2018	1.49	0.99	36616.64	33291.58	1.50	0.95	11035.65	10004.55
Nov-2018	1.50	0.89	36389.22	34303.38	1.50	0.85	10922.45	10341.9
Dec-2018	1.09	0.95	36554.99	34426.29	1.10	0.90	10985.15	10333.85
Jan-2019	1.05	0.87	36701.03	35375.51	1.05	0.85	10987.45	10583.65
Feb-2019	1.06	0.70	37172.18	35287.16	1.05	0.70	11118.1	10585.65
Mar-2019	1.07	0.81	38748.54	35926.94	1.05	0.80	11630.35	10817

Source: BSE Website. Source: NSE website.

Listing fees as prescribed has been paid fully to all the stock exchanges where the shares of the Company are listed. The Trading in the shares of the Company has been suspended by NSE & BSE w.e.f. 3rd September 2019.

#### h. Registrar and Transfer Agents ;

Karvy Fintech Pvt. Ltd.  
Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad – 500 008

Phone: +91 040 67161500

Fax : +91 040 23420814

Email Id : einward.ris@karvy.com

#### Share Transfer System:

Application for transfer of shares held on physical form is received at the office of the Registrars & Share Transfer Agents of the Company. Share Transfer Committee approves valid transfers of shares and share certificates duly endorsed are dispatched within the time prescribed under the Listing Agreement / SEBI Guidelines.

Shares held in dematerialized form are electronically traded in the Depository and the Registrars & Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update the records and to send all corporate communications, dividend warrants etc.,

#### Distribution of Shareholding as on March 31, 2019

Category (Amount)	Share Holders		Equity	
	Number	% to Total	No. of Shares	% to Total
Upto – 5000	151225	90.71	55823753	7.13
5001 - 10000	7129	4.28	27090849	3.46
10001 – 20000	4111	2.47	31530311	4.03
20001 – 30000	1398	0.84	17624914	2.25
30001 – 40000	763	0.45	13893181	1.77
40001 – 50000	453	0.27	10402740	1.33
50001 – 100000	895	0.54	32389568	4.14
100001 and above	730	0.44	594142376	75.89
<b>TOTAL</b>	<b>166704</b>	<b>100</b>	<b>782897692</b>	<b>100</b>

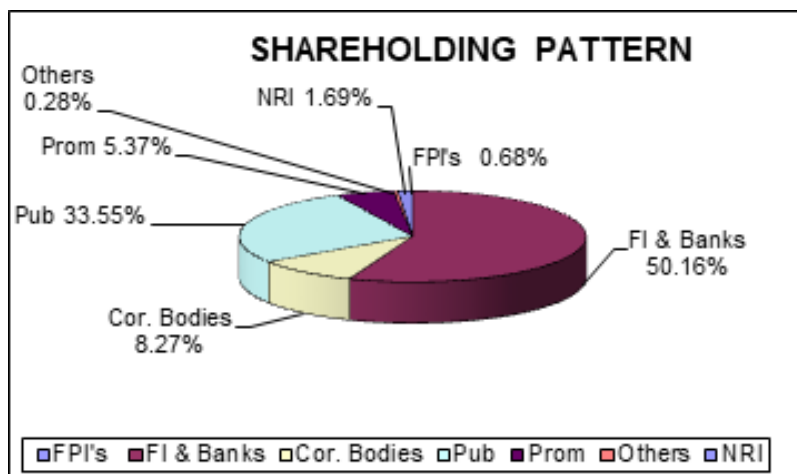
#### Dematerialization of shares and liquidity:

Shares of the Company can be held and traded only in Electronic form on Stock Exchanges. SEBI has stipulated the shares of the Company for compulsory delivery in dematerialized form only, by all investors from 26th June 2000.

99.95 percent of the shareholdings have been dematerialized as on 31.03.2019. Shares of the Company are actively traded in The Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, and hence have good liquidity.

#### Shareholding Pattern as on 31.3.2019:

Category	Total No. of Shares	Percentage
<b>Promoter's Holding</b>		
India Promoters	<b>42032166</b>	<b>5.37</b>
<b>Non Promoter Holding</b>		
Institutional Investors		
Mutual Funds	0	0.000
Financial Institutions / Banks / Insurance Companies	392687264	50.16
Foreign Portfolio Investors	5347238	0.68
<b>Sub Total</b>	<b>398034502</b>	<b>50.84</b>
<b>Others</b>		
Corporate Bodies	64726789	8.27
Indian Public	262688618	33.55
Non Resident Indian	13203990	1.69
Others	2211627	0.28
<b>Sub Total</b>	<b>342831024</b>	<b>43.79</b>
<b>Grand Total</b>	<b>782897692</b>	<b>100.00</b>



**Instruments outstanding as on March 31, 2019 and are liable for conversion into shares :**

#### **IVRCL ESOP 2013**

The shareholders of the company, in the 26th Annual General Meeting held on 26th September 2013 approved to issue upto 1,00,00,000 options convertible into 1,00,00,000 equity shares of nominal value of Rs.2/- each at one option liable to be converted into one share of Rs.2/- each at a price which is 50% of the closing price recorded on National Stock Exchange of India Limited on the date of the such grant on such terms as may be specified by the Board of Directors of the company. The Company has not granted any options out of IVRCL ESOP 2013 scheme to any employee as on date.

#### **Commodity price risk or foreign exchange risk and hedging activities.**

The Companies activities do not require any transactions involving commodities and hence there are no Commodity price risks and Commodity hedging activities. The details of Foreign Exchange risk and hedging activities has been disclosed elsewhere in the Annual Report.

#### **Plant Location:**

In view of the nature of the Company's business the Company is operating from various work sites spread throughout the country and the operations are controlled by the Corporate Office at "MIHIR" 8-2-350/5/A/24/1-B & 2, Panchavati Colony, Banjarahills, Hyderabad-500 034 and through various Regional Offices.

#### **Address for Correspondence:**

##### **Investor's Correspondence :**

Physical / Electronic Mode :  
 M/s. Karvy Fintech P Ltd.  
 Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli,  
 Hyderabad 500 032

##### **Shareholders General Correspondence**

**"IVRCL Limited"**  
 "MIHIR" 8-2-350/5/A/24/1-B & 2  
 Road No.2, Panchavati Colony  
 Banjara Hills HYDERABAD – 500 034

## **10 DISCLOSURES:**

- i. Materially significant related party transaction with the Company Promoters, Directors, the Management, the Subsidiaries or relatives of the Directors which may have potential conflict with the interests of the Company at large have been disclosed in the accounts along with the financial impact of the same elsewhere in the Annual Report.
- ii. During the quarter ended June 30, 2018, the Company has delayed in submitting the financial results for the year and quarter ended March 31, 2018 to the Stock Exchanges due to delay in finalizing accounts. The Exchanges has imposed fine for delay in submission of Results which the Company has paid within the due date. There were no major non-compliances except as stated above relating to the Capital Markets. There are no other penalty / strictures imposed on the Company by SEBI or any other statutory authority on such matters during the last three years.



- iii. The Company has adopted a Whistle blower policy and established the necessary vigil mechanism for all the employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism under the said policy also provides for adequate safeguards against victimization of employees who avail of the mechanism. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link: <http://www.ivrcl.com/downloads/WhistleBlowerPolicy.pdf>
- iv. The Company Complied with all the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company did not adopt Non-mandatory requirements.
- v. The board has approved a policy for determining “material” subsidiaries which has been uploaded on the Company’s website at the following link: <http://www.ivrcl.com/downloads/MaterialSubsidiaryPolicy.pdf>
- vi. The board has approved a policy for related party transactions which has been uploaded on the Company’s website at the following link: <http://www.ivrcl.com/downloads/RelatedPartyTransactionPolicy.pdf>
- vii. The Companies activities do not require any transactions involving commodities and hence there are no Commodity price risks and Commodity hedging activities.
- viii. Certificate from a company secretary in practice on directors debarred or disqualified from being appointed or continuing as directors of companies is not applicable as the company is under CIRP.
- ix. Disclosure on non acceptance of any recommendation of any committee of the board which is mandatorily required is not applicable as the company is under CIRP.
- x. Total Fees paid to the Statutory Auditors for all the services rendered to the Company and its subsidiaries is ₹ 82,60,000.
- xi. 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	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
NIL	NIL	NIL

- 11 The Company Complied with the requirements of sub-paras (2) to (10) of Corporate Governance Report as specified in schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 12 The Company did not adopt the discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 13 The Company Complied with the Corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Code of Conduct for Directors and Senior Management:**

A copy of the Code has been put on the Company’s website [www.ivrcl.com](http://www.ivrcl.com).

Place : Hyderabad  
Date : 4th September 2019

**Sutanu Sinha**  
Liquidator of IVRCL Limited  
IP Registration No. IBBI/IPA-003/IP-N00020/2017-18/10167

## CERTIFICATE ON CORPORATE GOVERNANCE

TO  
THE MEMBERS,  
**IVRCL LIMITED**

We have examined the compliance of conditions of Corporate Governance by **IVRCL LIMITED** (“the Company”), for the year ended on 31st March, 2019, as per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) for the period 1st April, 2018 to 31st March, 2019.

Pursuant to the Company being in Corporate Insolvency Resolution Process (CIRP) compliance of conditions of Corporate Governance is the responsibility of Resolution Professional (RP) appointed by NCLT. Our examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by Resolution Professional (RP) and other officers of the company, we certify that the Company has complied to the extent possible with the conditions of Corporate Governance as stipulated in the above mentioned clause of the Listing Regulations.

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

**For D. HANUMANTA RAJU & CO  
COMPANY SECRETARIES**

**CS D.HANUMANTA RAJU  
PARTNER  
FCS: 4044, CP NO: 1709**

**Place: Hyderabad  
Date: 25.09.2019**

# MANAGEMENT DISCUSSION & ANALYSIS

## Industry Overview

The Indian economy has faced some headwinds in the year under review. Nevertheless it continues to receive global attention because it is one of the brighter hopes of the world.

The Infrastructure Industry is a key sector in a developing economy. It gives very large employment running into crores of people and also has a multiplier effect on other economic sectors. It continues to be under a slowdown due to a variety of reasons. The Government has new initiatives which should reverse the trend and sectors like Roads and Metro Railways are in focus. Large schemes have been announced for River transport upgradation and a Bullet Train is proposed between Mumbai and Ahmedabad with Japanese support.

The problems of the infrastructure which have been adequately written about and highlighted earlier are being addressed by the Central Government. New funding mechanisms under Smart City and NMGJ have started being implemented. In the Roads BOOT as a method of awarding jobs has been stopped and new orders are based on the cash contract system / EPC system or Hybrid – Annuity.

In our country, nearly 226 million people do not have access to safe drinking water and more than 100 million people live in places where water is severely polluted. About 54% of India faces high to extremely high water stress. When the annual per capita of renewable freshwater in a country or a region falls below 1700 cubic metre, it is held to be a situation of water stress. According to recent studies, per capita availability of water is likely to fall down to 1140 cum. in 2050 suggesting that we are heading towards a serious water crisis, if timely steps are not taken to tackle it. Once surface water is exhausted, people dig to find more water. Groundwater levels across 4,000 wells have receded by 54% in the last seven years.

Falling groundwater levels shows that water is moving further away from the surface and becoming less accessible.

Over the years, increasing population, growing industrialization, expanding agriculture and rising standards of living have pushed up the demand for water. Efforts have been made to collect water by building dams and reservoirs and creating ground water structures such as wells. Recycling and desalination of water are other options but the cost involved is very high.

## VERTICAL-WISE PERFORMANCE

### WATER

The water sector has seen a significant downturn in the last few years. The many projects required to make water available to all, have not yet been ordered. Under the new and more comprehensive AMRUT scheme many new Water and Sewage Treatment schemes are planned and tenders will be forthcoming in 2019-20. For the Ganga cleanup investments have started under the Namami Ganga scheme.

In the Water segment, your company has completed 25,000 km of pipeline installation, 1300 MLD of WTP and 100 MLD of

Desalination Water Supply (the first and largest of its kind in India) and continues to march as a leader in this sector.

### A selective list of projects completed in Water Sector during the year includes:

1. **Chambal - Bhilwara Water Supply Project Phase-II:** Work of Cluster Scheme of 205 Villages of Asind Tehsil along with Augmentation of UWSS of Asind Town from Haripura Chouraha Headworks under Chambal-Bhilwara Water Supply Project Phase-II, Operation & Maintenance for 10 years on single responsibility turnkey basis. **Value Rs. 249 Cr.**

The government has unveiled a plan to provide water for all. Signs of water industry order revival are coming in from some of the recently elected state governments. The central government proposes to treat polluted water (sewage) for cities on Ganga basin through schemes like Clean Ganga. AMRUT (Atal Mission for Rejuvenation and Urban Transformation) Scheme aims at doing the same for the other cities of India not on the Ganga or Yamuna basin. With these plans getting implemented, the sector will see better years.

### Irrigation

The agriculture sector gives livelihood to 45% of our population but contributes only 16% to our GDP. One way to increase the incomes of the agrarian population is to convert poor precipitation rain-fed areas to one where an assured supply of water is available, through irrigation schemes.

Of the 140 million hectares (mh) of net cultivated area in India, only around 60mh are irrigated. For Indian agriculture to grow around 4% per year, it needs to increase the area irrigated, introduce new high-yield technology and expand cultivable land. Emphasis on aquifer mapping, watershed development, involvement of NGOs, and efficiency in developing irrigation capacity and all other measures using water more judiciously. This will require substantial investments in this sector to achieve these goals.

Your company has completed several large lift irrigation projects - 2300 km of Canals, 2.5 million cum/hr of pumping,

476.8 MW total pump capability and 104 km of tunnels (4-18 m dia.) as of March 2015. Your company continues to forge ahead with these strong pre-qualifications.

### BUILDINGS & INDUSTRIAL STRUCTURES

Rapid urbanization has emerged as an undeniable global trend which India too is now following. It demands today's city leaders to make tough decisions about infrastructure that will impact generations to come. With 410 million city dwellers, India has the world's second largest urban population. It is estimated that by 2030, about 600 million people will reside in cities in India and account for 70% of Indian GDP, according to a McKinsey report. As more and more people migrate from rural to urban areas, the existing urban cities would soon be crunched on resources and infrastructure.

## MANAGEMENT DISCUSSION & ANALYSIS

The central government has announced various mega schemes aimed at transforming urban India - 100 Smart Cities, the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 500 cities, and Housing-for-All by 2022. These projects envision smart cities as part of a sustainable society in which people live, work and play in safety and comfort while also coexisting in harmony with the environment.

The last few years did not see any significant downturn as Buildings are a key requirement for economic growth. The market, however, has been very competitive. Demands on material availability have also become a major concern, for instance, sand is now very difficult to get.

Your company continued its trend and market presence. As of Mar 31, 2018, about 51.6 million sft have been constructed using 1.8 million cum of concrete, 30,600 MT of structural steel, and 3.43 lac mtrs of piling (500-1600 mm dia). There would be a well-known building complex by IVRCL in most of the cities in India.

### A selective list of major completed works in Buildings & Industrial Structures (B&I) during the year includes:

1. **Tata Institute of Fundamental Research Building** : Construction of Research & Technical Block, service buildings including Electrical, Air-conditioning and Development works such as Roads, SWD, Substation, UG Tank, Septic Tank, Guard House, Compound wall, Street Light, Borewell etc. for TIFR, **Value Rs. 49 Cr.**
2. **Bangalore Metro Rail Project** : Construction of Two Elevated Metro Stations Viz. R.V.Road Terminal and Jayanagar Reach - 4 for Bangalore Metro Rail Project, Phase-I **Rs.91.10 Crores**

With increasing needs for urbanization and all-round development, this sector will see sustained investment. The new building complexes will also be well integrated with climate control, recyclable building materials, CCTVs and smart controls. Given its pre-qualification, your company is well poised to capitalize these opportunities.

### POWER

Your company concentrates on Power Transmission Lines and Rural Electrification. The central government is planning to award transmission projects worth ₹ 1 lakh crore in a year's time, thus giving a good push to the expanding electricity transmission across the country.

Your company has got 7 lac BPL connections provided, 11000 villages electrified, 1460 km of transmission line (132, 220, 400 & 765 KV) erected, and 60 track kms of traction and OHE works done as of March 31, 2018. These match the industry best.

### A selective list of major completed works in Buildings & Industrial Structures (B&I) during the year includes:

1. **765 KV S/C Angul Pooling Station - Jharsuguda Pooling Station Transmission Line** : Supply & Services Contract for Tower Package - P213 - TW01 for 765 KV

S/C Angul Pooling Station - Jharsuguda Pooling Station Transmission Line (Line-1) (Part-I) associated with Part-A (System Strengthening in Orissa) of Transmission System for Phase-I Generation Projects in Orissa for PGCIL - Value – Value – **Rs.119 Cr..**

### TRANSPORTATION

It is no secret that big economies poised for rapid growth need robust infrastructure, with roads forming a major part of it. India has the second highest road network in the world, spanning over 4.7 million km carrying over 60% of the country's total freight traffic and about 85% of the passenger traffic. However, only half of the country is paved, and less than a quarter of the national highways meet required standards. While road freight volume and the number of road vehicles have been growing at a compounded annual growth rate of 9.1% and 10.8% respectively, the growth rate of length of roads lags behind at 4%.

Indian rail network is the 4th longest and the most heavily used system in the world. The present suburban railway services in India are limited and are operational only in the metros. The sector needs speedy investments which have not been forthcoming in the last ten years.

On the Transportation front, your company has completed 3402 lane km of Highways, 75 km of railway track, and 1963 lane km of highway concession projects under operation and development .

In the last three years the national Road building programs under NHAI has revived after resolving legacy problems. There is a fillip to Road building and completion is upwards of 25 km per day. EPC Cash contracts or the Hybrid Annuity Model (HAM) are now the chosen payment methods.

The government has announced the National Highway Development Programme, aiming to upgrade 54,000 kilometres of highways. On the rail network front, the government aims to build 25,000 kilometres of new lines by 2020, as against about 2500 kilometres added between 2006 and 2014. Recent announcements by the government showing a quantum rise in transportation infrastructure do provide us good hope of the sector getting improved in the coming years.

Your company continues to leverage its strong pre-qualification for bagging and executing the upcoming projects in the transportation sector

### MINING

The Mining industry in India is a major economic activity which contributes significantly to the economy of India. In recent years, it has been facing issues of large-scale displacements, resistance of locals, human rights issues like indentured labour and environmental issues like pollution, deforestation and dangers to animal habitats.

Your company has been treading carefully in the mining sector and has a sophisticated and prestigious project.

## MANAGEMENT DISCUSSION & ANALYSIS

### • Malanjkhand Underground Project, Madhya Pradesh:

The project aims to develop an underground mine and it is planned to extract 5 Million TPA of copper ore in Malanjkhand, Balaghat, Madhya Pradesh. It involves sinking 4 vertical shafts to depths ranging from 665m to 695m, for lifting ore, carrying men & material and for ventilation. A total of 2 Declines at 1 in 7 gradients, reaching up to a depth of 660m have to be constructed.

The excavation of declines, drives, crosscuts, passes, raises etc. would go to a total length of 55.40 km. The project would use sophisticated mining machinery - two Friction Winders of capacity 4500 kW & one Service Winder of capacity 2300 kW for hoisting of 100 workers as a part of the job.

India has vast minerals potential with mining leases granted for longer durations of 20 to 30 years. The demand for various metals and minerals will grow substantially over the next 15 years. The power and cement industries also aid growth in the metals and mining sector. The economy growth of more than 7% in the years to come will provide a major thrust to the demand of minerals like coal and iron ore.

### Transmission Line Tower (TLT) , Nagpur

Your company's TLT factory and business at Butibori, Nagpur, Maharashtra manufactures and supplies Transmission Towers. With a manufacturing capacity area of 23 acres and an installed capacity of 36,000 MT per annum, it is a vital support for the EPC Transmission Line business. It is certified by International Standards Certifications Pty. Ltd (ISC) for Integrated Management System (IMS). Of late, the factory caters to other EPC players in the transmission sector as a quality vendor.

The end use sector has seen a slowdown in its fortunes in 2018-19 due a paucity of new orders for Transmission Lines. Nevertheless the business has stood on its feet as a standalone merchant producer and clocked 11700 t in 2017-18 . All key blue chip EPC customers in the field are its customers. It is expected that in FY 2019-20 the flow of orders to the large EPC players in the industry will revive , leading to more orders to this business unit.

### IVRCL TECHNICAL SERVICES & SOLUTIONS

The industry customers are now trying to find newer ways for efficient and effective use of their assets constructed under EPC orders. As a policy, government customers are now combining capex (EPC) orders with O&M (Operations & Maintenance). The O&M could typically be for five years. This is being felt in all the company's business sectors of Water, Irrigation, Power, Transportation and Mining.

Your company has noticed this trend and entered into value added services, including O&M three years back. In the first phase, the O&M business will focus on the existing EPC lines of business, and leverage the company's pre-qualification and

technical manpower talent.

India has a severe shortage of trained technical talent. This service division will provide gainful employment and meaningful work to thousands of qualified youngsters across the country. The company's training capabilities will be deployed to bring raw recruits quickly to the desired competence level. The first set of services relate to the Water sector.

The offerings of IVRCL Technical Services and Solutions include:

- Comprehensive O&M
- Retrofit & Revamp
- Analysis Reports
- Plant Performance Audits

Asset performance & efficiency in a cost-effective manner is instrumental in running a business profitably over time. Every aspect of Assets undertaken by IVRCL Technical Services and Solutions is handled by highly trained and seasoned industry professionals.

An outsourced O&M allows the customer to :

- Reduce operational cost and improve systems and processes
- Have access to a large team of experienced engineers and technicians spread across the country
- Increased Assets Turnover & life

### RISKS AND CONCERNS

In view of the current environment and the CDR/SDR packages and having been referred to the NCLT subsequently , IVRCL has enhanced its focus on risk management. Project execution overview has been significantly strengthened by adding more experienced and senior persons to the PMC (Project Monitoring Cell). Reviews are conducted regularly to understand the cost profile of the original bid and the effect of time on costs.

Risks are also faced in the new jobs which have to be bid for and the market is very price competitive. IVRCL has put in place much stronger cost review mechanisms for jobs to be bid and has increased the benchmark rate at which the job will be bid for.

The concerns for the company are the delay in sorting out the cases pending for extra claims, delays with some of the jobs relating to the land acquisition and environmental clearances, and very slow progress on arbitration. The concern is also that customers who delay from their side have no decision-making powers at the Executive levels to pass on the compensation for this.

### INTERNAL CONTROL SYSTEMS AND ADEQUACY

IVRCL continues to maintain an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets

## MANAGEMENT DISCUSSION & ANALYSIS

and interests of the company and ensuring compliance with all laws and regulations.

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations, which provide, among other things, reasonable assurance of authorization, recording and reporting of the transactions of its operations in all material respects and of providing protection against significant misuse or loss of the assets of the company.

The internal control system is managed through a continuous internal audit, which is empowered to examine the adequacy and compliance of systems and processes with the policies, plans and statutory requirements. The internal audit team also conducts regular audits across the company's operations in all key business areas.

All significant audit observations and follow-up actions are reported to the Audit Committee along with Internal Audit Reports and Management responses/replies thereon. The minutes of the Audit Committee are reviewed by the Board for its suggestions / recommendations to further improve the internal control system. The Audit Committee periodically reviews audit plans, observations and recommendations of

the Internal Auditors with reference to significant risk areas and adequacy of internal controls.

### OPPORTUNITIES & THREATS

IVRCL has assiduously built an enviable list of pre-qualifications across several areas of competence in the EPC domain over the past two decades. The infrastructure sector with its low growth in the last few years has been in a conservation mode and has focused more on its survival and not so much on growth. The opportunities that will arise relate to fresh investments being proposed all over the country. All of these will ask for new technologies like new methods of sewage treatment, urban transportation and long-distance rail transport. It will also require new methods of project execution and techniques such as the use of prefabricated elements.

The much greater concern being there for the environment, opportunities would arise in remediation works such as treating lakes, dredging rivers and restoring water bodies. In urban solid waste management, there will be many opportunities to collect and segregate waste, process waste and generate energy from waste. With the rising pressure of population in cities and the shortage of public space, software and IT hardware with sensors will be used to improve public asset use such as in parking management, delivery of citizen services, traffic management and so on.

The threats that would prevail relate more to the individual company and its ability to handle the municipality and the

Government customer expectations. At the outset, the financial and bidding capability norms could get tougher. The large opportunities and the active government interest combined together is likely to bring in global players to India and they would probably be allowed to use their foreign pre-qualifications. The customers would also expect timely execution and would not be considerate for time extensions. In general, these customers might also be reducing the planned execution time for various tenders.

The Government proposes to use new techniques like Swiss Challenge, which allows a company with new capabilities and technologies to offer a solution and this will enable new parties and competitors to enter the fray and set a benchmark.

Last but not the least, the market is expected to continue being price competitive. Design for frugal material usage, strong cost skills for procurement and good contracting skills are required to ensure the promised profits.

### HUMAN RESOURCE MANAGEMENT

IVRCL has a proud record of people retention and its brand equity with the customers has risen because of this. Almost 50% of the employees, out of a total headcount of 913 (Mar 31, 2019), are Engineers. The current focus of the company is to improve productivity at each project site and in each central function, to that effect; the manpower deployment has been carried out based on competency rating programmes, transfers, re-skilling and re-training. The more frequent and dynamic reviews are carried out to see the competence deployed in a given situation and when the human resource becomes surplus in a given project. As a result of this, the company has retained and kept the faith of a good number of long-serving employees, who are the vital connection to the customers.

### FUTURE OUTLOOK

The company has had a prolonged period of Debt Restructuring and is under the IBC as a company for Resolution.

The passage of the IBC (Insolvency & Bankruptcy Code) has been a major change in the environment for the company.

The environment for Civil & Contracting companies has become more clear and positive.

The NHAI, Metro Construction and Electrical Transmission to name three sectors are progressing well. There is a cautious upturn in all other areas of Contracting. However, since NCLT has ordered the company to be liquidated as a going concern, the future depends on the outcome of the liquidation process.



# Independent Auditor's Report

To the Members of  
IVRCL Limited

## Report on the Audit of the standalone Financial Statements

### Disclaimer of Opinion

We were engaged to audit the accompanying standalone financial statements of IVRCL Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information for the year then ended in which are incorporated the unaudited branch returns for the year ended on that date of the Company's branch at Kingdom of Saudi Arabia ('the branch').

We do not express an opinion on the accompanying standalone financial statements of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

### Basis for Disclaimer of Opinion

We refer to following notes to standalone financial statements:

- a. Note 38 to the standalone financial statements, in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein and expiry of timeline to complete the process of CDR/ SDR. During the year the Company has incurred a Net Loss of ₹ 15,452.08 million resulting into accumulated losses of ₹ 57,217.03 million and erosion of its Net worth as at March 31, 2019. The Company has obligations towards fund based borrowings aggregating to ₹ 92,580.77 million and non-fund based exposure aggregating to ₹ 8,870.28 million, operational creditors and statutory dues, subject to reconciliation/ verification as stated in Note 43, that have been demanded/recalled by the financial/operating creditors pursuant to ongoing Corporate Insolvency Resolution Process (CIRP). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements.
- b. Note 39 to the standalone financial statements, in respect of recognition of deferred tax assets on account of carried forward unused tax losses and other taxable temporary differences aggregating to ₹ 9,570.59 million.

Based on unexecuted orders on hand, the Management of the Company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized. However, in our opinion, in absence of convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, such recognition is not in accordance with Indian Accounting Standard 12 "Income Taxes" (Ind AS 12). Had the aforesaid deferred tax assets not been recognised, loss after tax for the year ended on March 31, 2019 would have been higher by ₹ 9,570.59 million and other equity would have been lower by ₹ 9,570.59 million.

- c. Note 40 to the standalone financial statements, in connection with the existence of material uncertainties over the realizability of bank guarantees encashed by customers, unbilled revenue, trade receivables and withheld amount aggregating to ₹ 27,000.76 million included in financial and other assets which are past due/subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management is yet to assess the change in risk of default and resultant expected credit loss allowance on such assets. Had the aforesaid assets been provided for impairment, loss after tax for the year ended on March 31, 2019 would have been higher by ₹ 27,000.76 million, other equity would have been lower by ₹ 27,000.76 million.
- d. Note 41 to the standalone financial statements, in respect of investment of ₹ 12,063.29 million in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2019. In absence of fair valuation of these Investments, we are unable to comment upon the carrying value these investments and the consequential impact, if any, on the accompanying standalone financial statements.
- e. Note 42 to the standalone financial statements, in respect of loans and advances of ₹ 7,215.75 million given to subsidiary Companies, associate, net receivable against development rights, various sub-contractors, vendors and other parties. These advances, having regard to financial position of such subsidiary companies and age of such advances, in our opinion, are doubtful of recovery. The management is yet to assess the change in risk of default and resultant expected credit loss allowance on such loans and advances. Had the aforesaid assets been provided for impairment, loss after tax for the year ended on March 31, 2019 would have been higher by ₹ 7,215.75 million, other equity would have been lower by ₹ 7,215.75 million.
- f. Note 38 and 43 to the standalone financial statements, in respect of various claims, submitted by the financial creditors (including claims towards fund based and non-

## Independent Auditor's Report

fund based exposure and claims on behalf of subsidiary companies and other parties), operational creditors, workmen or employee and authorized representative of workmen and employees of the Company to Resolution Professional pursuant to the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation 2016, that are currently under consideration/reconciliation. Pending reconciliation/admission of such claims by the RP, we are unable to comment on the consequential impact, if any, on the accompanying statement;

- g. Note 44 to the standalone financial statements, in respect of non-availability of confirmations of bank balances, trade receivables including retention, loans and advances, borrowings, trade payable and other payables. In absence of alternative corroborative evidence, we unable to comment on the extent to which such balances are recoverable.
- h. Note 45 to the standalone financial statements, in respect of non-availability of physical verification reports of fixed assets and inventories aggregating to ₹ 1,518.27 million ( Written down value as at March 31, 2019) and ₹ 405.81 million respectively as at March 31, 2019 and no provision for impairment has been made for the reasons stated therein. In absence of any alternative corroborative evidence, we are unable to comment on the recoverability of the same.
- i. Note 46 to the standalone financial statements, in respect of balances available with statutory authorities and input credits aggregating to ₹ 2,120.56 million that are subject to reconciliation, filing of return and admission by the respective statutory authorities and no provision has been made thus, we are unable to comment whether any provision for impairment in the value of advances is required.
- j. Note 23 to the standalone financial statement, in respect of periods of default in repayment of borrowing and interest have not been provided to compliance the minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.

In view of the matters stated above except para j of 'Basis for Disclaimer of Opinion', we are unable to obtain sufficient appropriate audit evidences regarding the extent of the loss allowance/impairment or potential liability to be recognised, if any, and the consequential impact on the standalone financial statements as at and for the year ended March 31, 2019. The matter stated above in para j of 'Basis for Disclaimer of Opinion' give rise to the inappropriateness of use of generally accepted accounting principles that are applicable to the minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013. Accordingly, we form a basis of disclaimer of opinion.

### Emphasis of matters

#### Attention is invited to:

- a. Note 47 to the standalone financial statements, in respect of notice received by the company U/s 276 (B) of the Income tax Act, 1961 and by certain banks and customers of the company U/s 226(3) of the Income Tax Act, 1961 regarding failure to deposit the tax deducted at source for the financial year 2016-17 and 2017-18 aggregating to ₹ 292.52 million.
- b. Note 48 to the standalone financial statements, in respect of summon received by the company of levy of damages U/s 14 B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 aggregating to ₹ 61.27 million for the period from 10/1999 to 02/2009 and 07/2009 to 03/2015 and the matter is presently sub-judice.

Our opinion is not qualified in respect of these matters

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.



## Independent Auditor's Report

Sl. No.	Key Audit Matter	Auditor's Response
1.	<b>Adoption of New Accounting Standard Ind AS 115: Revenue</b>	<b>from contracts with customers</b>
	The Company has adopted the new accounting standard Ind AS 115 as at April 1, 2018 and accordingly has reviewed its sales contracts for determining the principles for recognizing revenue in accordance with the new standard. Some of the sales contracts contain various performance obligations and management exercises judgement to determine timing of revenue recognition, i.e., over time or a point in time.	Principal audit procedures: a) Obtained an understanding of the various revenue streams and nature of sales contracts entered into by the Company. b) Evaluated the design of internal controls relating to identification of performance obligations and determining timing of revenue recognition. c) Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to the identification of performance obligations and timing of revenue recognition. d) Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard.

### Information Other than the Financial Statements and Auditor's Report Thereon

In view of ongoing Corporate Insolvency Resolution Process (CIRP), The Resolution Professional ( RP) is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against IVRCL Limited ("the Company") and appointed Mr. Sutanu Sinha to act as Interim Resolution Professional (IRP) with direction to initiate appropriate action contemplated with extent provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

Pursuant to ongoing Corporate Insolvency Resolution Process (CIRP) powers of the board of Directors have been suspended and these responsibilities are now vested with Resolution Professional (RP)

In view of ongoing Corporate Insolvency Resolution Process (CIRP), The Resolution Professional (RP) is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters, related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Under section 20 of the Code, it is incumbent upon Interim Resolution Professional to manage the operations of the Company as a going concern and the statements have been prepared on going concern basis.

# Independent Auditor's Report

## Auditors' Responsibility

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 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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

## Other Matters

- a. We did not audit the separate financial statements of 3 joint ventures included in standalone financial statements, whose financial results reflects company's share in net profit of joint venture aggregating to ₹ 6.17 million for the year ended March 31, 2019. 29 joint ventures were not considered in standalone financial statement. In our opinion and according to the information and explanations given to us by the Management, these financial statements /financials information, in aggregate, are not material to the Company and have not been subjected to audit hence, we are unable to comment on the consequential impact, if any, on the accompanying statements.
- b. We did not audit the financial statements/information of a branch at Kingdom of Saudi Arabia included in the Standalone financial statements of the company whose financial statements/financial information reflects total assets of ₹ 0.01 Million as at March 31, 2019 and total revenue is NIL for the year ended on that date as considered in standalone financial statements.

Our opinion is not qualified in respect of these matters

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit. However, as described in the Basis for

## Independent Auditor's Report

Disclaimer of Opinion paragraph, we are unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the audit;

- b) Due to the effects/possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether 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 unaudited accounts/returns adequate for the purpose of our audit have been received from the branch not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and the unaudited accounts/returns of the branches not visited by us.
- d) Due to the effects/possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) Due to the effects/possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether they have any adverse effect on the functioning of the Company;
- f) In the term of section 17 (1) (b) of the Insolvency and Bankruptcy Code, 2016 ("the Code"), the powers of the board of directors have been suspended and be exercised by the resolution professional. Hence, written representation from directors have not been taken on record by the Board of Directors. Accordingly, we are unable to comment whether none of the director is disqualified as on March 31, 2019 from being appointed as a director in the terms of Section 164 (2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected there with are as stated in the Basis for Qualified Opinion paragraph;
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in

"Annexure B". Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the information and explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position to the extent ascertained, in its standalone financial statements (Refer note 35);
  - ii. Except for the effects/possible effects of matters described under basis of qualified opinion paragraph, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts;
  - iii. There has been no delay in transferring the amounts that were due to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019;
  - iv. In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company is in accordance with the provisions of 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 CHATURVEDI & CO.**

**Chartered Accountant**

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Partner

Membership No. 091239

Hyderabad

May 30, 2019

## Independent Auditor's Report

### "Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019:

- I
  - (a) Subject to our comments in para i (b) below, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) Except for certain locations (including locations where physical access to the fixed assets is restricted by the contractee/clients), the fixed Assets were physically verified during the year by the Management in accordance with a regular program of verification. Further, wherever physical verification of fixed assets was performed, the management is in process of reconciliation of quantities as per verification reports with fixed assets records. Pending such reconciliation and physical verification of certain locations, we are unable to comment on the reasonableness of the physical verification program and discrepancies that may arise on such reconciliation and physical verification of fixed assets that are lying on those locations where physical verification could not be performed.
  - (c) According to the information and explanation given to us, title deeds of the immovable properties have been mortgaged as security with lenders i.e. banks, financial institutions and others for security of the borrowings raised by the Company. On the basis of our examination of the records of the Company and the copies of the title deeds available with the Company, the title deeds of immovable properties are held in the name of the Company except for the details given in Appendix -1;
- ii. According to the information and explanations given to us, Except for certain locations (including locations where physical access to the inventories is restricted by the contractee/clients), the management has conducted physical verification of inventory at reasonable intervals during the year. We are unable to comment on the discrepancies that may arise on the physical verification of inventories that are lying on those locations where physical verification could not be performed.
- iii. The company has granted interest free unsecured loans to Companies covered in the register maintained under section 189 of the Act, in respect of such loans;
  - (a) In our opinion, the terms and conditions of the loans granted by the Company to 8 subsidiaries, aggregating to ₹ 6,156.34 million as at March 31,2019, having regard to the cost of funds to the company, are prejudicial to the interest of the company.
  - (b) In respect of one company the schedule of repayment of the principal amount aggregating to ₹ 580.61 million has been stipulated and the repayment commences in the year 2026-27. In case of interest free unsecured loan to 7 companies aggregating to ₹ 5,575.73 million, the schedule of repayment is not stipulated and considered by the Company as repayable on demand, hence, we are unable to comment as to whether repayments are regular.
  - (c) In case of interest free unsecured loan to one company aggregating to ₹ 580.61 million, no amount is overdue. In case of interest free unsecured loan to 7 companies aggregating to ₹ 5,575.73 million, the schedule of repayment is not stipulated and considered by the Company as repayable on demand, we are unable to comment whether any amount is overdue and whether reasonable steps have been taken by the company for recovery of the principal.
- iv. According to information and explanation given to us and having regard to the legal opinion obtained by the company in an earlier year that the company being a company engaged in the business of providing infrastructure facilities in terms of Section 186, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of grant of loans, making investments and providing guarantees and security as applicable.
- V. According to the information and explanations given to us, the Company has not accepted any deposits during the year within the meaning of Sections 73 to 76 of the Companies Act, 2013, and the rules framed there under to the extent notified.
- Vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
- Vii. (a) According to information and explanations given to us and records of the Company examined by us, the Company has not been regular in depositing undisputed statutory dues in respect of provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of excise, value added tax and cess and any other statutory dues with the appropriate authorities. There have been significant delays in a large number of cases in depositing these dues with the

## Independent Auditor's Report

appropriate authorities. Further, no undisputed amounts payable in respect of these statutory dues were outstanding as on March 31, 2019 for a period of more than six months from the date they became payable except as given in Appendix -2 to this report.

- (b) According to the information and explanations given to us and records of the Company examined by us, particulars of dues outstanding in respect of income tax, sales tax, service tax, duty of excise and value added tax which have not been deposited on account of any dispute are given in Appendix-3 to this report.

- Viii As matters described in Note 36 and 37 to the financial statement and pursuance of repayment schedule stipulated in the sanction letter, the entire amount of borrowing including interest are overdue and continuing default as on March 31, 2019, therefore, we are unable to provided periods of default. Details of defaults in repayment of borrowing and interest are given below;

(₹ in Million)

Particulars	Principal	Interest
Cash Credit	39,058.30	4,320.79
Working Capital Term Loan	14,850.61	10,015.59
Priority Debt	1,226.48	788.00
Term Loan	5,954.17	3,739.89
Project Specific Loan	434.50	478.90
Funded Interest on Term Loan	51.95	321.78
12.15% Redeemable, Non Convertible Debentures	2,000.00	1,909.94
Others	1,645.20	-
Working Capital Demand Loan & Other Facilities from Bank	5,359.68	425.01

- ix According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans have been applied by the Company during the year for the purposes for which they were obtained.
- X According to the information and explanations given to us, no fraud by the Company or on the Company by its

officers or employees have been noticed or reported during the year.

- Xi According to the information and explanations given to us and based on the audit procedures conducted by us, Managerial Remuneration paid or provided was in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- Xii In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, the provisions of Para 3 (xii) of the Order are not applicable to the Company.
- Xiii In our opinion and according to the information and explanations given to us, we are unable to obtain sufficient and appropriate audit evidence to comment whether all transactions with the related parties as disclosed in Note 64 to the financial statements are in compliance with section 177 and 188 of Companies Act, 2013. Further, where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- Xiv According to the information and explanations given to us, the Company has not made any preferential allotment. Accordingly, provisions of para 3 (xiv) of the order are not applicable to the Company.
- Xv According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them. The provisions of clause 3 (XV) of the Order are not applicable to the company.
- Xvi In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

**For CHATURVEDI & CO.**

**Chartered Accountant**

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Hyderabad  
May 30, 2019

Partner  
Membership No. 091239



## Independent Auditor's Report

Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of IVRCL Limited

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

We have audited the internal financial controls over financial reporting of IVRCL Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Basis for Qualified Opinion

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019:

The Company did not have appropriate internal financial controls over (a) Assessment of recoverability of deferred tax assets (b) Assessment of expected credit loss/loss allowance of bank guarantees encashed by customers, unbilled revenue, trade receivables and withheld amounts which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. (c) Assessment of expected cash shortfall and resultant loss allowance that may be required in respect of invocation of corporate guarantees and demand against the Company in respect of such guarantees extended / executed for its subsidiaries and other parties in favour of the lender

## Independent Auditor's Report

(d) Assessment of impairment in value of long term equity investment and assessment of impairment in value of loans and advances to various subsidiary companies and other parties. (e) Control over reconciliation of subcontractors work bills with the work bills submitted to the clients and physical progress of works completed, which could potentially result into inaccurate estimation of percentage of work completed and consequently delay in the realization of unbilled revenue/receivables. (f) Controls over projects costs estimation and review of balance costs to complete in respect of work projects, which could potentially result into inaccurate estimation of foreseeable losses on works contracts. (g) physical verification of fixed assets and inventories. Further the company did not have any internal audit system during the year.

The inadequate supervisory and review control over Company's process in respect of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in preparation and presentation of financial statement including the profit/loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

### Qualified opinion

In our opinion, except for the possible effects of material weaknesses described in "basis of qualified opinion" paragraph above, the Company has, in all material respects, an adequate

internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended on March 31, 2019, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

**For CHATURVEDI & CO.**

**Chartered Accountant**

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Hyderabad

May 30, 2019

Partner

Membership No. 091239

# Independent Auditor's Report

## Appendix-1 As referred to in para i(c) of the Annexure A to the Independent Auditors Report

S . No.	Description	Total No. of Cases	Gross Block	Net Block
1	Land Freehold*	10	67.72	67.72
2	Land Freehold^	5	5.03	5.03
3	Building^	21	135.33	102.00
4	Building#	2	4.26	2.79
5	Building\$	2	1.60	1.07

\*Title deeds not in the name of Company,

^ neither title deeds nor confirmation from the lender is available,

# copies of title deed is available, however, lender confirmation for mortgage of title deed is not available,

\$ copies of title deed is not available, however lender confirmation for mortgage of title deed is available.

## Appendix-2 As referred to in para vii (a) of the Annexure A to the Independent Auditor's Report

Name of the Statute	Nature of Due	Period to which amount relates
		Up to 2018-19
Sales Tax & VAT Laws: Tamilnadu Uttar Pradesh	Works contract tax	
	(a) Principal	33.90
	(b) Interest	0.00
	Due Date	20th of the Next month
Sales Tax & VAT Laws: Gujrat	Works contract tax	
	(a) Principal	15.90
	(b) Interest	0.00
	Due Date	22nd of the Next month
Sales Tax & VAT Laws: Orissa	Works contract tax	
	(a) Principal	32.20
	(b) Interest	0.00
	Due Date	21st of the Next month
Sales Tax & VAT Laws: Bihar	Works contract tax	
	(a) Principal	49.70
	(b) Interest	0.00
	Due Date	25th of the Next month
Sales Tax & VAT Laws: Delhi	Works contract tax	
	(a) Principal	4.90
	(b) Interest	0.00
	Due Date	15th of the Next month
Sales Tax & VAT Laws: Madhya Pradesh	Works contract tax	
	(a) Principal	16.60
	(b) Interest	0.00
	Due Date	10th of the Next month
Sales Tax & VAT Laws: Other States	Works contract tax	
	(a) Principal	6.10
Sales tax & VAT Laws	Value Added Tax	
	(a) Principal	55.40
	(b) Interest	0.00
The Finance Act , 1994	Service Tax	
	(a) Principal	259.70
	(b) Interest	0.00

# Interest on all statutory dues could not be identified.



# Independent Auditor's Report

## TDS and Interest on TDS



Particulars	Nature of Due	Up to 2018-19
TDS on Contractors (194C)	Principal	243.76
	Interest	78.70
TDS on Interest (194A)	Principal	55.90
	Interest	17.36
TDS on Rent (194I)	Principal	5.42
	Interest	1.60
TDS on Professional Charges (194J)	Principal	17.78
	Interest	4.99
TDS on Non Residents (195)	Principal	5.91
	Interest	2.28
TDS on Salaries (192B)	Principal	0
	Interest	2.02

### Appendix-3 as referred to para vii (b) of the annexure A to the Independent Auditor's Report

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount
Sales tax and VAT Laws	Sales tax and VAT	Appellate Authority upto Commissioner's Level	2004-05 to 2013-14	325.63 (5.23)*
		Appellate Authority - Tribunal Level	2003-04 to 2006-07	74.58 (1.60)*
		Appellate Authority - High Court Level	2004-05 to 2011-12	927.05 (5.00)*
Andhra Pradesh Tax on Entry of Motor Vehicles Act, 1996	Entry Tax	Appellate Authority - Tribunal Level	2001-02 to 2007-08	1.11
Odisha Tax on Entry of Goods into Local Areas act, 1999	Entry Tax	Appellate Authority - Tribunal Level	2007-08 to 2013-14	60.93
The Finance Act 1994	Service Tax		2007-08 to 2011-12 & 2014-15 to 2017-18	11,729.77
Employees Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	Appellate Tribunal	01/04/1996 to 29/05/2015	61.27

\* Indicated Pre Security Deposits with respective authorities.

# Balance Sheet as at March 31, 2019



(All amount ₹ in Million unless otherwise stated)

	Note No.	As At March 31, 2019		As At March 31, 2018	
<b>I. ASSETS</b>					
<b>1. Non-Current Assets</b>					
(a) Property, Plant and Equipment	4		1,623.89		2,101.76
(b) Investment Properties	4		241.68		246.20
(c) Financial Assets					
(i) Investments	5	18,325.51		18,319.41	
(ii) Trade Receivables	6	4,434.53		2,943.51	
(iii) Loans	7	580.61		537.60	
(iv) Other Financial Assets	8	10,282.11	33,622.76	9,296.22	31,096.74
(d) Deferred Tax Asset (net)	9		9,749.83		9,765.04
(e) Non-Current Tax Assets (Net)	10		775.08		944.88
(f) Other Non-current Assets	11		1,523.13		1,523.13
<b>Total Non Current Assets</b>			<b>47,536.37</b>		<b>45,677.75</b>
<b>2. Current Assets</b>					
(a) Inventories	12		529.86		666.75
(b) Financial Assets					
(i) Trade Receivables	13	10,007.60		11,925.81	
(ii) Cash and Cash Equivalents	14	873.94		1,572.30	
(iii) Bank Balances	15	217.86		256.90	
(other than iii above)					
(iv) Loans	16	5,575.73		5,575.73	
(v) Other Financial Assets	17	2,429.61	19,104.74	2,195.84	21,526.58
(c) Current Tax Assets (net)	18		357.36		-
(d) Other Current Assets	19		14,837.83		16,086.75
<b>Total Current Assets</b>			<b>34,829.79</b>		<b>38,280.08</b>
<b>Total Assets</b>			<b>82,366.16</b>		<b>83,957.83</b>
<b>II. Equity and Liabilities</b>					
<b>1. Equity</b>					
(a) Equity Share Capital	20		1,565.80		1,565.80
(b) Other Equity	21		(33,059.58)		(17,606.46)
<b>Total Equity</b>			<b>(31,493.78)</b>		<b>(16,040.66)</b>
<b>2. Liabilities</b>					
Non-Current Liabilities					
(a) Provisions	22		39.99		53.91
<b>Total Non Current Liabilities</b>			<b>39.99</b>		<b>53.91</b>
<b>3. Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	23	70,580.88		62,178.95	
(ii) Trade Payables	24				
Total Outstanding Dues to Micro, Small and Medium Enterprise		8.01		28.00	
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		13,196.09		12,906.15	
(iii) Other Financial Liabilities	25	23,147.63	106,932.61	17,279.07	92,392.17
(b) Other Current Liabilities	26		5,509.02		6,150.68
(c) Provisions	22		1,378.32		1,401.73
<b>Total Current Liabilities</b>			<b>113,819.95</b>		<b>99,944.58</b>
<b>Total Equity and Liabilities</b>			<b>82,366.16</b>		<b>83,957.83</b>
See accompanying Notes forming part of the Financial Statements	1-65				

In terms of our report attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Partner

Membership No. 091239

Date : May 30, 2019

Place : Hyderabad

**For IVRCL Limited**

**SUTANU SINHA**

Resolution Professional

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

**B. SUBRAHMANYAM**

Company Secretary

**R. BALARAMI REDDY**

Chief Financial Officer

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



(All amount ₹ in Million unless otherwise stated)

	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
<b>I. Income</b>			
(a) Revenue From Operations	27	7,292.33	14,134.67
(b) Other Income	28	230.76	865.36
<b>Total Income</b>		<b>7,523.09</b>	<b>15,000.03</b>
<b>II. Expenses</b>			
(a) Cost of Construction Material Consumed	29	490.36	2,223.84
(b) Subcontracting Expenses	30	4,694.19	9,628.83
(c) Masonary Labour and Other Construction Expenses	31	1,858.43	4,723.73
(d) Employee Benefits Expense	32	691.54	1,012.61
(e) Finance Costs	33	12,191.96	10,138.54
(f) Depreciation and Amortisation Expense	4	482.43	646.40
(g) Other Expenses	34	819.70	1,825.15
<b>Total Expenses</b>		<b>21,228.61</b>	<b>30,199.10</b>
<b>III. Loss Before Exceptional Items and Tax (I - II)</b>		<b>(13,705.52)</b>	<b>(15,199.07)</b>
<b>IV. Exceptional Items (Refer Note 40)</b>		1,732.28	4,753.95
<b>V. Loss Before Tax (III - IV)</b>		<b>(15,437.80)</b>	<b>(19,953.02)</b>
<b>VI. Tax Expense</b>			
(a) Current Tax		-	-
(b) Deferred Tax		(14.88)	40.89
<b>VII. Net Loss For The Year</b>		<b>(15,452.68)</b>	<b>(19,912.13)</b>
<b>VIII. Other Comprehensive Income/(Expense)</b>			
a) Items that will not be reclassified to Profit or Loss			
i) Remeasurements of the defined benefit Plans		0.95	(2.01)
ii) Income Tax effect on above		(0.33)	0.70
b) Items that will be classified to Profit or Loss			
i) Exchange differences on translation of a foreign operation		-	2.51
ii) Income Tax effect on above		-	-
Other Comprehensive Income/(Loss) for the Year		<b>0.62</b>	<b>1.20</b>
<b>IX. Total Comprehensive Income for the year (VII + VIII)</b>		<b>(15,452.06)</b>	<b>(19,910.93)</b>
<b>X. Earnings Per Share (face value ₹ 2 each)</b>			
Basic & Diluted (₹)		(19.74)	(25.43)
See accompanying Notes forming part of the Financial Statements	1-65		

In terms of our report attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Partner

Membership No. 091239

Date : May 30, 2019

Place : Hyderabad

**For IVRCL Limited**

**SUTANU SINHA**

Resolution Professional

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

**B. SUBRAHMANYAM**

Company Secretary

**R. BALARAMI REDDY**

Chief Financial Officer

# Statement of Cash Flows for the year ended March 31, 2019



(All amount ₹ in Million unless otherwise stated)

	Year ended March 31, 2019		Year ended March 31, 2018	
<b>A. Cash flow from operating activities</b>				
(Loss)/Profit Before Tax		(15,437.80)		(19,953.02)
Adjustment for:				
Depreciation and Amortisation Expense	482.43		646.40	
Dividend received on Investments	(0.04)		(0.04)	
(Profit)/Loss on Sale of Property Plant and Equipment	(0.07)		(34.53)	
Loss on Sale of Investments	-		2.00	
Provision for doubtful debts, advances and deposits (net)	369.32		915.16	
Share of profit on Joint Venture	(6.09)		(18.54)	
Exceptional Item	1,732.28		4,753.95	
Liabilities no longer required written back	(0.30)		(263.16)	
Interest Income	(70.23)		(73.21)	
Finance Costs	12,191.96	14,699.27	10,138.54	16,066.57
Operating Profit / (Loss) before working capital changes		(738.55)		(3,886.45)
Changes in Working Capital :				
(Increase)/decrease in Inventories	136.89		321.14	
(Increase)/decrease in Trade Receivables	(2,686.16)		965.25	
(Increase)/decrease in Other Non Current Assets	0.97		3.59	
(Increase)/decrease in Other Current Assets	1,150.68		3,417.36	
Increase/(decrease) in Trade Payable	270.25		(1,043.33)	
Increase/(decrease) in Other Financial Liabilities	(733.00)		(771.55)	
Increase/(decrease) in Other current liabilities and provision	(755.37)	(2,615.74)	(657.76)	2,234.70
Net Cash used in Operations		(3,354.29)		(1,651.75)
Net Income Tax Refund / (paid)		(187.56)		(269.79)
Net Cash (used in ) / generated from operating activities		(3,541.85)		(1,921.54)
<b>B. Cash flow from investing activities</b>				
Capital Expenditure on Fixed Assets (including Capital Advances)	(0.04)		(0.81)	
Proceeds from Sale of Fixed Assets	-		189.86	
(Purchase) / Subscription of Long-Term Investments	-		(5.43)	
Loans/Advance given to Subsidiaries/Associates/Joint Ventures (net)	(46.82)		120.88	
Net investment in Bank Fixed Deposit	39.03		161.74	
Interest Received	36.71		74.62	
Dividend Received on Long Term Investments	0.04		0.04	
Net cash used in investing activities		28.91		540.90
<b>C. Cash flow from financing activities</b>				
Proceeds from Long Term Borrowings	-		-	
Repayment of Long Term Borrowings	-		-	
Proceeds from Short Term Borrowings (net of repayments)	2,814.57		2,159.66	
Interest and Finance Charges Paid	-		-	
Net cash generated from financing activities		2,814.57		2,159.66
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(698.37)		779.02
Cash and cash equivalents at the beginning of the year		1,572.31		793.29
Cash and cash equivalents at the end of the year		873.94		1,572.31
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents		873.94		1,572.31
Cash and cash equivalents at the end of the year (Refer Note 14)		873.94		1,572.31

- Bank balance includes restricted amount of ₹ 0.10 millions (₹ 0.10 millions) towards unclaimed dividend.
- Figures in bracket represents cash outflow.

In terms of our report attached

**For CHATURVEDI & CO.**

**For IVRCL Limited**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

**SUTANU SINHA**

**R. BALARAMI REDDY**

Partner

Resolution Professional

Chief Financial Officer

Membership No. 091239

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

Date : May 30, 2019

**B. SUBRAHMANYAM**

Place : Hyderabad

Company Secretary

# Statement of Change in Equity (SOCE) for the year ended March 31, 2019

## a) Equity Share Capital

Particulars	Numbers	(₹ in million)
<b>As at March 31, 2017</b>	782,897,692	1,565.80
Issue of Equity Share during the year	-	-
<b>As at March 31, 2018</b>	782,897,692	1,565.80
Issue of Equity Share during the year	-	-
<b>As at March 31, 2019</b>	782,897,692	1,565.80

## b) Other Equity

	Reserves and Surplus				Exchange difference on translating the financial statements of foreign operation	Other items of other comprehensive income	Total
	Capital Reserve	Securities Premium	General Reserve	Debt Redemption Reserve			
<b>As at March 31, 2017</b>	2,576.68	17,852.27	3,223.43	500.00	3.59	(121.56)	2,304.47
Loss during the year							(19,912.13)
Foreign Currency Translation Reserve created on translation of foreign operation					2.51		2.51
Actuarial Loss on defined benefit plan						(1.32)	(1.32)
<b>As at March 31, 2018</b>	2,576.68	17,852.27	3,223.43	500.00	6.10	(122.88)	(17,606.46)
Loss during the year							(15,452.70)
Foreign Currency Translation Reserve created on translation of foreign operation					(1.03)	-	(1.03)
Actuarial Loss on defined benefit plan						0.62	0.62
<b>As at March 31, 2019</b>	2,576.68	17,852.27	3,223.43	500.00	5.07	(122.26)	(33,059.57)

In terms of our report attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Partner

Membership No. 091239

Date : May 30, 2019

Place : Hyderabad

**For IVRCL Limited**

**SUTANU SINHA**

Resolution Professional

IP Registration no. IBB/I/PA-003/IP-N00020/2017-18/10167

**B. SUBRAHMANYAM**

Company Secretary

**R. BALARAMI REDDY**

Chief Financial Officer

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 1. Company Overview

M/s.IVRCL Limited (the Company) having its registered office at M-22/3RT, Vijayanagar Colony, Hyderabad-500 057, Telangana India, is a public Company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. The Company is in the business of development and execution of Engineering, Procurement, Construction and Commissioning (EPCC) and Lump Sum Turn Key (LSTK) facilities in various infrastructure projects such as water supply, Roads and Bridges, Townships and Industrial Structures, Power Transmission etc. for Central/State Governments, other local bodies and private sector. The corporate office of the Company is located at MIHIR, 8-2-350/5/A/24/1-B&2, Road no 2, Panchvati Colony, Banjara Hills, Hyderabad- 500 034, Telangana, India.

## 2. Recent accounting pronouncement

Standards Issued but not yet effective and not early adopted by the Company.

On March 30,2019, the MCA issued certain amendments to Ind AS relate to the following standards.

- Ind AS 12 Income Taxes to insert of Appendix C uncertainty over Income tax treatments
- Ind AS 19 Employee Benefits
- Ind AS 23 Borrowing Costs
- Ind AS 28 Investments in Associates and Joint Ventures
- Ind AS 109 Financial Instruments
- Ind AS 111 Joint Arrangements
- Ind AS 116 Leases

These amendments are effective from April 01, 2019 and the Company believes that the afore stated amendments will not materially impact the financial statements of the Company.

## 3. Significant Accounting policies

### 3.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, and presentation requirements of Division II to Schedule III to the Act under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 3.2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based upon managements best knowledge of current events, actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Discount rate used to determine the carrying amount of the Company's defined benefit obligation: In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Contingences and commitments: In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not

# Notes to Standalone Financial Statements



All amounts are ₹ In Million unless otherwise stated

provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, company do not expect them to have a materially adverse impact on the financial position or profitability.

## Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Income taxes:** The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

**Useful lives of property, plant and equipment:** As described in Note 3.8, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

**Allowances for doubtful debts:** The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates.

**Contract estimates:** The Company, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal percentage as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Recoverability of claims:** The Company has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/ discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

**Deferred tax assets:** In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

## 3.3 Operating Cycle and Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it (a) Expected to be realised or intended to be sold or consumed in normal operating cycle; (b) Held primarily for the purpose of trading; or (c) Expected to be realised within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Accordingly, operating cycle for the business activities of the Company covers the duration of the specific



# Notes to Standalone Financial Statements



All amounts are ₹ In Million unless otherwise stated

project/contract/project line/service including defect liability period, wherever applicable and extends up to the realization of receivables (including retention money) with agreed credit period normally applicable to the respective project.

## 3.4 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction contracts'. The Company has adopted Ind AS 115 using modified retrospective approach. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018).

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

### Revenue from operations

Revenue for the periods upto June 30, 2017 includes excise duty collected from customers. Revenue from July 1, 2017 onwards is exclusive of goods and service tax (GST) which subsumed excise duty. Revenue also includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

### Revenue from construction/project related activity is recognised as follows:

1. Cost plus contracts: Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
2. Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.



# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 3.5 Joint Arrangements

Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement and assessment of other facts and circumstances when the terms of contractual arrangement do not specify that parties have rights to the assets, and obligations for the liabilities, relating to the arrangement.

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

A joint venture is a joint arrangement whereby the contractual arrangement provides the parties to the arrangement with rights to the net assets of the arrangement (i.e. it is the separate vehicle, not the parties, that has rights to the assets, and obligations for the liabilities relating to the arrangement). When the Company participates in, but does not have joint control of, or does not have significant influence over, a joint arrangement/venture it accounts for its interest in a joint venture in accordance with IND AS 109 Financial Instruments.

## 3.6 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitor and reviews the operating results of the whole Company as one segment of "Engineering & Construction". Thus, as defined in Indian Accounting Standard 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence, the necessary information has already been disclosed in the Balance Sheet and Statement of Profit and Loss.

## 3.7 Foreign Currencies

Functional currency: The functional currency of the Company is the Indian rupee.

Transactions and translations: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

## 3.8 Property, plant and equipment

Property, plant and equipment (PPE) are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item 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 profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM") in the manner prescribed in schedule II to the Act except for the following assets which are depreciated based on useful life determined by the Company:

# Notes to Standalone Financial Statements



All amounts are ₹ In Million unless otherwise stated

Steel Shuttering	10 years
Wood Shuttering	3 years
Pucca Sheds	3 years

Land acquired for quarrying are amortized over the period of the respective project.

Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the useful lives of the assets as considered by the Company reflect the periods over which these assets are expected to be used.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

## 3.9 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

## 3.10 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The Company amortizes intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management.

## 3.11 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

## 3.12 Investment in subsidiaries and joint ventures

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

## 3.13 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax: Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities

# Notes to Standalone Financial Statements



All amounts are ₹ In Million unless otherwise stated

are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**Deferred tax:** Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## 3.14 Leases

Leases are classified as finance leases whenever the terms of lease transfers substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

**Operating Lease:** Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

**Finance Lease:** Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

## 3.15 Impairment of assets

**Financial assets:** The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**PPE and intangibles assets:** Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

## 3.16 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.

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 3.17 Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 3.18 Inventories

The stock of construction material, stores and spares are valued at lower of cost on FIFO basis and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## 3.19 Exceptional items

Items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company are disclosed as Exceptional items in the Statement of Profit and Loss.

## 3.20 Non-derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### a. Financial assets

**Cash and cash equivalents:** The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

**Trade Receivables and Loans:** Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Debt Instruments:** Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

**Equity Instruments:** All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

### b. Financial assets – Subsequent measurement

**Financial assets at amortised cost:** Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order 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.

# Notes to Standalone Financial Statements



All amounts are ₹ In Million unless otherwise stated

**Financial assets at fair value through other comprehensive income (FVTOCI):** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

**Financial assets at fair value through profit or loss (FVTPL):** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

## c. Financial liabilities

**Loans and borrowings:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

**Financial guarantee contracts:** Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

## d. Financial liabilities - Subsequent measurement

Financial liabilities are measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, carrying amounts approximate the fair value due to the short maturity of these instruments.

## e. Derecognition of financial instrument

The Company de-recognizes a financial assets when the contractual rights to the cash flows from the financial asset expires or it transfers the financial assets and the transfer qualifies for derecognition under Indian Accounting Standard 109 "Financial Instruments". A financial liability (or a part of financial liability) is de-recognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

## f. Offsetting of financial instruments

Financial assets and financial liabilities are offsetted and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 3.21 Borrowing costs

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during 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.

### 3.22 Employee Benefits

Employee benefits consist of contribution to employees state insurance, provident fund, gratuity fund and compensated absences.

#### Defined Contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### Defined benefit plans:

The Company operates defined benefit plan in the form of gratuity. The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest expense are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognised in the 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. They are included in retained earnings 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 profit or loss as past service cost.

### Compensated Absences

The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilized leave as at the yearend is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

The classification of the company's net obligation into current and non- current is as per the actuarial valuation report.

### 3.23 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated

### 4 Property, Plant and Equipment (Refer Note 45)

	Land - Freehold	Buildings	Plant and Equipment	Motor Vehicles	Furniture	Office Equipment	Computers	Total	Investment Property
<b>Gross carrying value</b>									
As at 1 April, 2017	421.32	288.42	2,888.87	605.08	61.73	30.75	12.18	4,308.35	310.98
Addition	-	-	2.06	-	0.14	0.60	0.36	3.16	-
Disposal/Adjustment	29.22	33.17	121.10	4.25	3.10	0.50	0.01	191.35	51.21
<b>As at 31 March, 2018</b>	<b>392.10</b>	<b>255.25</b>	<b>2,769.83</b>	<b>600.83</b>	<b>58.77</b>	<b>30.85</b>	<b>12.53</b>	<b>4,120.16</b>	<b>259.77</b>
Addition	-	-	0.02	-	-	0.02	-	0.04	-
Disposal/Adjustment	-	-	-	0.92	-	-	-	0.92	-
<b>As at 31 March, 2019</b>	<b>392.10</b>	<b>255.25</b>	<b>2,769.85</b>	<b>599.91</b>	<b>58.77</b>	<b>30.87</b>	<b>12.53</b>	<b>4,119.28</b>	<b>259.77</b>
<b>Accumulated Depreciation</b>									
As at 1 April, 2017	-	41.98	1,033.99	324.31	27.09	25.35	9.06	1,461.78	11.03
Depreciation charge	-	9.60	484.87	129.66	12.11	3.71	1.11	641.06	5.34
Accumulated depreciation on disposal	-	1.46	77.82	2.20	2.54	0.41	0.01	84.44	2.80
<b>As at 31 March, 2018</b>	<b>-</b>	<b>50.12</b>	<b>1,441.04</b>	<b>451.77</b>	<b>36.66</b>	<b>28.65</b>	<b>10.16</b>	<b>2,018.40</b>	<b>13.57</b>
Depreciation charge	-	4.15	375.93	86.58	9.27	1.04	0.94	477.91	4.52
Accumulated depreciation on disposal	-	-	-	0.92	-	-	-	0.92	-
<b>As at 31 March, 2019</b>	<b>-</b>	<b>54.27</b>	<b>1,816.97</b>	<b>537.43</b>	<b>45.93</b>	<b>29.69</b>	<b>11.10</b>	<b>2,495.39</b>	<b>18.09</b>
<b>Net carrying value</b>									
As at 31 March 2018	392.10	205.13	1,328.79	149.06	22.11	2.20	2.37	2,101.76	246.20
As at 31 March 2019	392.10	200.98	952.88	62.48	12.84	1.18	1.43	1,623.89	241.68

Notes:

- Building includes leasehold premises of ₹ 27.50 million taken for a period of 99 years. The premium of ₹ 20.46 million is paid upfront with no further significant obligations.
- The company is yet to register the title deeds of certain immovable properties aggregating to ₹ 213.94 million (land freehold ₹ 72.75 million, buildings ₹ 141.19 million) and Written down value of ₹ 178.61 million (land freehold ₹ 105.86 million, buildings ₹ 107.96 million).
- For details of existence and amounts of restrictions on title, and property, plant and equipment pledged as security for liabilities refer Note 23.



# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 5 Non Current Investments (Face value of ₹ 10 each fully paid up unless otherwise specified)

(₹ In Million)

	As At March 31, 2019		As At March 31, 2018	
	No.	Amount	No.	Amount
<b>A. Investments (Valued at deemed cost) (refer Note 41, 61 &amp; 64)</b>				
<b>I. Investment in Equity Instruments</b>				
<b>(i) Subsidiary Companies</b>				
Quoted				
Hindustan Dorr-Oliver Limited (Face Value of ₹ 2 each)*	39,624,430	654.55	39,624,430	654.55
Provision for impairment in value of investment		(654.55)		(654.55)
<b>Unquoted</b>		-		-
IVRCL Chengapalli Tollways Limited*	21,754,260	2,285.53	21,754,260	2,285.53
Salem Tollways Limited*	51,303,160	489.50	51,303,160	489.50
Kumarpalyam Tollways Limited*	37,571,600	2,220.50	37,571,600	2,220.50
IVRCL PSC Pipes Private Limited*	167,000	1.67	167,000	1.67
IVR Enviro Projects Private Limited*	2,924,550	29.25	2,924,550	29.25
Chennai Water Desalination Limited*	129,737,411	19.20	129,737,411	19.20
IVRCL Steel Construction & Services Limited*	50,000	0.50	50,000	0.50
Jalandar Amritsar Tollways Limited*	48,938,550	658.20	48,938,550	658.20
Chengapalli Road Infra Limited	10,000	0.10	10,000	0.10
IVRCL Patalaganga Trucks Terminal Private Limited	53,334	32.60	53,334	32.60
IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited*	6,000	0.06	6,000	0.06
Alkor Petroo Limited	5,625,000	70.10	5,625,000	70.10
IVRCL Building Products Limited*	599,995	6.03	599,995	6.03
IVRCL Chandrapur Tollways Limited*	26,872,900	2,775.36	26,872,900	2,775.36
Sapthashva Solar Limited*	52,100	0.52	52,100	0.52
RIHIM Developers Private Limited*	10,000	0.10	10,000	0.10
IVRCL TLT Private Limited*	10,000	0.10	10,000	0.10
IVRCL Raipur Bilaspur Tollways Limited*	49,990	0.50	49,990	0.50
IVRCL Narnual Bhiwani Tollways Limited*	49,990	0.50	49,990	0.50
IVR Hotels and Resorts Limited	239,355	3,175.36	239,355	3,175.36
SPB Developers Private Limited*	29,061,999	1,133.05	29,061,999	1,133.05
IVRCL Lanka Private Limited (Face value of LKR 10 each)	89,752,499	391.60	89,752,499	391.60
First STP Private Limited*	2,850,000	35.39	2,850,000	35.39
IVRCL Gundugolanu Rajahmundry Tollways Limited*	49,900	0.50	49,900	0.50
IVRCL Patiala Bathinda Tollways Limited*	49,900	0.50	49,900	0.50
IVR Prime Developers (Tambram) Private Limited*	10,000	0.10	10,000	0.10
IVRCL EPC Limited	50,000	0.50	50,000	0.50
		<b>13,327.32</b>		<b>13,327.32</b>

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



(₹ In Million)

	As At March 31, 2019		As At March 31, 2018	
	No.	Amount	No.	Amount
<b>(ii) Associate Bodies Corporate</b>				
IVRCL International Infrastructures & Projects LLC (Face Value of Dhs.1,500 each)	49	0.91	49	0.91
IVRCL Indore Gujarat Tollways Limited	33,395,982	4,203.97	33,395,982	4,203.97
		<b>4,204.88</b>		<b>4,204.88</b>
<b>II. Investment in Preference Shares</b>				
<b>(i) Subsidiary Companies</b>				
Salem Tollways Limited (7% Cumulative Redeemable Preference Shares of Face Value of ₹ 100 each)*	5,000,000	500.00		500.00
Provision for impairment in value of Investment		(200.00)		(200.00)
		<b>300.00</b>		<b>300.00</b>
<b>III. Investment in Partnership</b>				
<b>(i) Partnership Firm (Joint Venture)</b>				
Bhanu IVRCL Associates (50:50 Share between the Company and Bhanu Construction Co. Limited respectively)	-	0.01	-	0.01
IVRCL -Tantia Joint Venture(AOP) (50:50 Share between the Company and Tantia Construction Co. Limited respectively)	-	0.20	-	0.20
		0.21		0.21
Provision for impairment in value of Investment		(0.21)		(0.21)
		-		-
<b>(ii) Investment in Partnership</b>				
IVRCL - Navayuga & Sew		86.87		83.47
IVRCL,Sew & Prasad		52.76		50.06
IVRCL-CR18G (JV) Hyderabad		36.42		36.42
IVRCL - Sushee Joint Venture		1.90		1.90
IVRCL - BPL -UCC		2.72		2.72
IVRCL-KMB-HDO		5.10		5.10
IVRCL - RTE		-		-
		<b>185.77</b>		<b>179.67</b>

(₹ In Million)

	As At March 31, 2019		As At March 31, 2018	
	No.	Amount	No.	Amount
<b>B. Investments (valued at fair value through profit and loss)</b>				
<b>(i) Investment in Equity Instruments</b>				
Telcon Ecoroad Resurfaces Private Limited	2,400	24.00	240,000	24.00
Rayalseema Expressway Private Limited	19,290	0.19	19,290	0.19
Tamilnad Mercantile Bank Limited	12,525	0.21	12,525	0.21
IOTL Utkal Energy Services Limited*	97,000,000	302.79	97,000,000	302.79
Viva Infrastructures Private Limited	50,000	0.50	50,000	0.50
Paresh Infrastructure Private Limited	4,900	0.05	4,900	0.05
Telcon Construction Company Limited	4,800	-	4,800	-
		<b>327.74</b>		<b>327.74</b>
Provision for impairment in value of investment		(22.20)		(22.20)
		<b>305.54</b>		<b>305.54</b>

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



(₹ In Million)

	As At March 31, 2019		As At March 31, 2018	
	No.	Amount	No.	Amount
<b>C. Investment in Mutual Funds (valued at fair value through Profit and Loss)</b>				
Union Bank of India Tax Saver Scheme		2.00		2.00
		<b>18,325.51</b>		<b>18,319.41</b>

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Aggregate amount of quoted investment (before provision)	654.55	654.55
Aggregate market value thereof	-	176.33
Aggregate amount of unquoted investment (before provision)	18,547.92	18,541.82

The movement in provision is as follows: (₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	876.96	680.49
Allowance for expected diminution in value	-	-
Transferred from Other Financial Assets	-	200.00
Investment written off	-	0.55
Provision written back	-	(2.98)
Balance as at end of the year	876.96	876.96

\* Pledged against the money borrowed by the Company, Subsidiary Companies and Associates (Refer Note 66)

## 6. Trade Receivables- Non-current (Refer Note 40,44,47,57 & 61) (₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Considered Good-Unsecured	-	-
Trade Receivables which have significant credit risk	4,434.53	2,943.51
Trade Receivables credit impaired	3,701.15	3,267.78
	<b>8,135.68</b>	<b>6,211.29</b>
Less: Allowance for Doubtful Trade Receivables	3,701.15	3,267.78
	<b>4,434.53</b>	<b>2,943.51</b>

The movement in provision is as follows: (₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	3,267.78	2,264.08
Allowance for doubtful receivables	433.37	1,003.70
<b>Balance as at end of the year</b>	<b>3,701.15</b>	<b>3,267.78</b>

## 7. Loans (Refer Note 42 & 61) (Non- Current) (₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Loan Receivables considered good-Unsecured	-	-
Loan Receivables which have significant credit risk	580.61	537.60
Loan Receivables credit impaired	-	-
	<b>580.61</b>	<b>537.60</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 8. Others Financial Assets (Non-Current)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
(a) Non - Current Bank Balances		
Deposit with maturity of more than 12 months	2.75	2.75
(b) Other recoverables from contractee/clients (unsecured) (Refer Note 40)		
Considered Good	10,234.66	9,214.28
Considered Doubtful	1,893.98	161.70
	<b>12,128.64</b>	<b>9,375.98</b>
Less : Provision for Doubtful Recoverables	1,893.98	161.70
	<b>10,234.66</b>	<b>9,214.28</b>
(c) Interest accrued on loans and advances (Refer Note 61)	0.26	33.78
(d) Security Deposit	44.44	45.41
	<b>10,282.11</b>	<b>9,296.22</b>

The movement in provision is as follows:

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	161.70	161.70
Allowance for doubtful recoverables during the year	1,732.28	-
<b>Balance as at end of the year</b>	<b>1,893.98</b>	<b>161.70</b>

### 9. Deferred Tax Asset (Net) (Refer Note 39 & 55)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
<b>(a) Deferred Tax Liabilities</b>		
Timing difference on account of Depreciation and Amortisation	0.61	0.61
Financial Instruments	201.27	186.39
Others	9.77	9.77
<b>Total (a)</b>	<b>211.65</b>	<b>196.77</b>
<b>(b) Deferred Tax Asset</b>		
Provision for employee benefits	2,760.43	2,760.43
Allowance for Doubtful debts, Advances and Deposits	1,785.76	1,785.76
Business loss/Unabsorbed depreciation	5,025.02	5,025.02
Other Comprehensive Income	64.69	65.02
Financial Instruments	325.58	325.58
<b>Total (b)</b>	<b>9,961.48</b>	<b>9,961.81</b>
<b>Grand Total (b-a)</b>	<b>9,749.83</b>	<b>9,765.04</b>

### 10. Non-Current Tax Assets (Net)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Tax deducted at Source and Advance Tax	775.08	944.87
	<b>775.08</b>	<b>944.87</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 11. "Other Non-Current Assets (Unsecured, Considered good)

	As At March 31, 2019	As At March 31, 2018
(a) Capital Advances	-	-
(b) Receivable Against Sale of Development Rights (Refer Note 26.1)	1,523.13	1,523.13
	<b>1,523.13</b>	<b>1,523.13</b>

### 12. Inventories (Refer Note 45)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
At Project Sites		
- Project Stores (at cost or under)	529.86	666.75
	<b>529.86</b>	<b>666.75</b>

### 13. Trade Receivables (Refer Note 40,44,57 & 61)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Considered Good-Unsecured	701.96	2,375.33
Trade Receivables which have significant credit risk	9,305.64	9,550.48
Trade Receivables credit impaired	4,898.61	4,971.29
	<b>14,906.21</b>	<b>16,897.10</b>
<b>Less: Allowance for Doubtful Debts</b>	4,898.61	4,971.29
	<b>10,007.60</b>	<b>11,925.81</b>

The movement in provision is as follows:

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	4,971.29	5,188.15
Allowance for expected credit loss	68.86	139.94
Trade receivables written off	-	(53.73)
Provision written back	(141.54)	(303.07)
<b>Balance as at end of the year</b>	<b>4,898.61</b>	<b>4,971.29</b>

### 14. Cash and Cash Equivalents

	As At March 31, 2019	As At March 31, 2018
Balances with Banks		
- Current Accounts (Refer Note 44 & 57)	577.45	1,314.39
- Deposits with maturity period of less than 3 months	296.37	257.14
Cash on Hand (Refer Note 57)	0.12	0.77
	<b>873.94</b>	<b>1,572.30</b>

### 15. Bank Balances Other than above

	As At March 31, 2019	As At March 31, 2018
(a) Earmarked Balances		
Margin Money Deposit (Refer Note 15.1)	76.74	7.36
Unpaid Dividend Account (Refer Note 15.2)	0.10	0.10
Term Deposits (Refer Note 48)	91.22	91.22
Interest accrued on Term Deposit above	1.11	1.37
(b) Current Accounts Restricted by IT Department (Refer Note 47)	28.22	28.22
(c) Tem Deposits with maturity period of more than 3 months but less than 12 months	20.47	128.62
	<b>217.86</b>	<b>256.89</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



**15.1** Margin money deposit represents deposit with Banks against guarantees issued by them.

**15.2** Unpaid dividend account represents Cash and Cash equivalent deposited in unpaid dividend account and are not available for use by the Company other than for specific purposes. However, the bank has deducted certain bank charges from the unpaid dividend account. The company is in the process of depositing the requisite amount in the unpaid dividend account.

### 16. Loans (Unsecured) (Refer Note 42, 57 & 61)

(Current)

	As At March 31, 2019	As At March 31, 2018
Loan Receivables considered good-Unsecured	-	-
Loan Receivables which have significant credit risk	5,575.73	5,575.73
Loan Receivables credit impaired	-	-
	<b>5,575.73</b>	<b>5,575.73</b>

### 17. Others Financial Assets

	As At March 31, 2019		As At March 31, 2018	
	No.	Amount	No.	Amount
<b>(a) Non Current Assets Held For Sale</b>				
<b>I. Investment in Associate Companies (Refer Note 17.1)</b>				
(i) Equity Shares (Unquoted, face value of ₹ 10 each)				
Sushee - IVRCL Arunachal Highway Limited (face value of ₹ 10 each)*	24,700,000	247.00	24,700,000	247.00
<b>III. Investment in other Companies</b>				
Rayalseema Expressway Private Limited (Debentures Face Value of ₹ 1,482 each)	88,413	131.03	88,413	131.03
		<b>378.03</b>		<b>378.03</b>
<b>(b) Interest Accrued on Fixed Deposits</b>		10.25		5.30
<b>(c) Receivables from Related Parties (Refer Note 42, 57 &amp; 61)</b>				
- Subsidiaries		1,244.71		1,238.79
- Associates		26.21		26.75
- Joint ventures		933.93		808.73
- Directors		10.34		10.34
		<b>2,215.19</b>		<b>2,084.61</b>
		-		-
- Considered Good		1,742.03		1,611.45
- Considered Doubtful		473.16		473.16
		<b>2,215.19</b>		<b>2,084.61</b>
Less: Allowance for Doubtful Trade Receivables		473.16		473.16
		<b>1,742.03</b>		<b>1,611.45</b>
<b>(d) Other Deposits</b>				
Considered Good		299.30		201.06
Considered Doubtful		61.27		61.27
		<b>360.57</b>		<b>262.33</b>
Less: Allowance for Doubtful Advances		61.27		61.27
		299.30		201.06
		<b>2,429.61</b>		<b>2,195.84</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



**17.1** The company has entered into share purchase agreement with two buyer Companies for sale of equity shares and Debenture/equity shares on conversion of such debentures into equity respectively on achieving COD of the respective project implemented by such companies. The Company has received equal amount of advance against sale of such investment from the respective buyer companies, such advance is classified under liability held for sale.

\* Pledged against the money borrowed by the Company, Subsidiary Companies and Associates. (Refer Note 64)

**The movement in provision is as follows:**

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	534.43	687.28
Transferred to Investment	-	(200.00)
Allowance for doubtful debts/advances	-	47.15
<b>Balance as at end of the year</b>	<b>534.43</b>	<b>534.43</b>

### 18. Current Tax Assets (net)

	As At March 31, 2019	As At March 31, 2018
Income tax refund	357.36	-
	<b>357.36</b>	-

### 19. Other Current Assets (Unsecured, considered good)

	As At March 31, 2019	As At March 31, 2018
<b>(a) Advance to Sub Contractors and Suppliers (Refer Note 42 &amp; 61)</b>		
Unsecured, Considered Good	1,305.44	1,322.75
Unsecured, Considered doubtful	161.97	161.97
	<b>1,467.41</b>	<b>1,484.72</b>
Less: Allowance for Doubtful Advances	161.97	161.97
	<b>1,305.44</b>	<b>1,322.75</b>
<b>(b) Others</b>		
Unsecured, Considered Good	39.56	5.25
Unsecured, Considered Doubtful	84.72	84.72
	<b>124.28</b>	<b>89.97</b>
Less: Allowance for Doubtful Advances	84.72	84.72
	<b>39.56</b>	<b>5.25</b>
<b>(c) Balances with Statutory / Government Authorities (Refer Note 46)</b>		
Considered Good	2,126.90	2,608.18
Considered Doubtful	225.73	225.73
	<b>2,352.63</b>	<b>2,833.91</b>
Less: Allowance for Doubtful Advances	225.73	225.73
	<b>2,126.90</b>	<b>2,608.18</b>
<b>(d) Prepaid Expenses</b>	43.64	73.18
<b>(e) Unbilled Revenue (Refer Note 40 &amp; 56)</b>	11,322.29	12,077.39
	<b>14,837.83</b>	<b>16,086.75</b>



## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



The movement in provision is as follows:

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	472.42	469.50
Allowance for doubtful debts/advances during the year	-	30.40
Advances written off during the year	-	(27.48)
<b>Balance as at end of the year</b>	<b>472.42</b>	<b>472.42</b>

### 20 Share Capital

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised :</b>				
Equity Shares of ₹ 2 each	1,625,000,000	3,250.00	1,625,000,000	3,250.00
Preference shares of ₹ 2 each	25,000,000	50.00	25,000,000	50.00
	<b>1,650,000,000</b>	<b>3,300.00</b>	<b>1,650,000,000</b>	<b>3,300.00</b>
<b>Issued, Subscribed and Paid up</b>				
Equity shares of ₹ 2 each Fully Paid up	782,897,692	1,565.80	782,897,692	1,565.80
	<b>782,897,692</b>	<b>1,565.80</b>	<b>782,897,692</b>	<b>1,565.80</b>

#### 20.1 Reconciliation of the Number of and Amount of Shares Outstanding at the Beginning and at the End of the Reporting Year

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the Year	782,897,692	1,565.80	782,897,692	1,565.80
Add : Issued during the Year		-	-	-
Outstanding at the end of the Year	<b>782,897,692</b>	<b>1,565.80</b>	<b>782,897,692</b>	<b>1,565.80</b>

#### 20.2 Terms/Rights attached to Equity Shares

The equity shares of the Company having par value of ₹ 2 per share rank pari passu in all respects including voting right and entitlement to dividend. Repayment of the capital in the event of the winding up of the Company will inter alia be subject to the provisions of the Companies Act, 2013, the Articles of the Association of the Company or as may be determined by the Company in general meeting prior to such winding up.

#### 20.3 Shareholders Holding more than 5% Shares of the Company

Name of the Share Holder	No of Shares as at March 31, 2019	% Shareholding	No of Shares as at March 31, 2018	% Shareholding
ICICI Bank Ltd	62,486,020	7.98	62,486,020	7.98
Indian Overseas Bank	62,547,429	7.99	62,547,429	7.99
Canara Bank	55,521,825	7.09	55,521,825	7.09
IDBI Bank Ltd	52,810,191	6.75	52,810,191	6.75
State Bank of India	49,409,934	6.31	49,409,934	6.31

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 21. Other equity

	As At March 31, 2019	As At March 31, 2018
(a) Retained Earnings	(57,094.77)	(41,642.07)
(b) Securities Premium Account	17,852.27	17,852.27
(c) Capital Reserve	2,576.68	2,576.68
(d) General Reserve	3,223.43	3,223.43
(e) Debenture Redemption Reserve	500.00	500.00
(f) Foreign Exchange Translation Reserve	5.07	6.11
(g) Other Comprehensive Income	(122.26)	(122.88)
	<b>(33,059.58)</b>	<b>(17,606.46)</b>

#### Nature and purpose of reserves

- a. Retained earnings: Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.
- b. Securities Premium: The amount of difference between the issue price and the face value of the shares is recognized in Securities premium reserve.
- c. Capital Reserve: Pursuant to the Composite Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 between the Company, IVRCL Assets & Holdings Limited (IVRCL A&H), RIHIM Developers Private Limited (RDPL) and IVRCL TLT Private Limited (IVRCL TLT) and their respective shareholders, which was sanctioned by the Hon'ble High Court of Andhra Pradesh in earlier year, the excess of assets over liabilities has been credited to Capital Reserve.
- d. General Reserve: General Reserve is the accumulation of the portions of the net profits transferred by the Company in the past years pursuant to the earlier provisions of the Companies Act, 1956.
- e. Debenture redemption reserve: The Company is required to create a debenture redemption reserve out of the profits which are available for payment of dividend to be utilised for the purpose of redemption of debentures in accordance with the provisions of the Act.
- f. Foreign Exchange Translation Reserve: Exchange difference arising on translation of the foreign operation is accumulated in separate reserve within equity.
- g. Other items of other Comprehensive Income: The Company has recognized remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity.

### 22. Provisions

	As At March 31, 2019		As At March 31, 2018	
	Long-Term	Short-Term	Long-Term	Short-Term
(a) Gratuity (Refer Note 51)	-	-	-	0.01
(b) Compensated Absences	39.99	49.32	53.91	72.72
(c) Provision for Foreseeable Losses	-	1,329.00	-	1,329.00
	<b>39.99</b>	<b>1,378.32</b>	<b>53.91</b>	<b>1,401.73</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 23. Borrowings (Refer Note 37, 43, 44 & 57)

	As At March 31, 2019		As At March 31, 2018	
i. Loans repayable on demand from Banks & Financial Institutions				
Loans Repayable on Demand from Banks (Secured)				
<b>(A) Secured</b>				
(a) Cash Credits, Working Capital Term Loan, Priority Debt and Term Loans from Consortium of Banks	61,089.55		54,800.96	
(b) Project - Specific Working Capital Loans	434.50		434.50	
(c) Funded Interest Term Loan	51.95		51.95	
(d) Debentures	-		-	
- 12.15% Redeemable, Non-Convertible Debentures	2,000.00		2,000.00	
		<b>63,576.00</b>		<b>57,287.41</b>
<b>(B) Unsecured</b>				
(a) Others	1,645.20		1,645.20	
(b) Working Capital Demand Loans and other credit facilities from Banks	5,359.68		3,246.34	
		<b>7,004.88</b>		<b>4,891.54</b>
		<b>70,580.88</b>		<b>62,178.95</b>

**23.1** Pursuance of repayment schedule stipulated in the sanction letter, the entire amount of borrowing including interest are overdue and continuing default as on March 31, 2019, therefore, periods of default are not being calculated and presented herewith. Details of defaults in repayment of borrowing and interest are given below;

in Million

	Principal	Interest
Cash Credit	39,058.30	4,320.79
Working Capital Term Loan	14,850.61	10,015.59
Priority Debt	1,226.48	788.00
Term Loan	5,954.17	3,739.89
Project Specific Loan	434.50	478.90
Funded Interest on Term Loan	51.95	321.78
12.15% Redeemable, Non Convertible Debentures	2,000.00	1,909.94
Others	1,645.20	-
Working Capital Demand Loan & Other Facilities from Bank	5,359.68	425.01

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 23.2 Details of Security

### I Cash Credits and Working Capital Demand Loan from Consortium Banks

#### (a) Cash Credit

Cash Credits and Working Capital Demand Loans are secured by hypothecation of book debts, inventories and other current assets (excluding those charged to lenders of specific-funding projects). Further these loans are secured by mortgage of property in Land and Buildings owned by the Company ranking pari passu among the consortium banks aggregating to ₹ 101.54 million and lien of the Fixed Deposit of ₹ 4.20 million. The loans are Second Charged on current assets of the specific-funding projects on reciprocal basis. Cash Credit of IDBI amounting to ₹ 1,754.50 million is further secured by first and exclusive charge on all present and future fixed assets and current assets, except lease rights of the lease hold land of IVRCL TLT Private Limited, a subsidiary of the company.

#### (b) Working Capital Term Loan

WCTL - I is secured by first paripassu charge on fixed assets excluding the exclusive security given to various lenders book debts beyond the cover period and non-current assets excluding retention money and investments. Second paripassu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future.

#### (c) Priority Debt

₹ 1,226.48 million (₹ 1,226.48 million) has been availed out of ₹ 1,750.00 million Priority Debt sanctioned. Priority Debt is secured by first paripassu charge on fixed assets excluding the exclusive security given to various lenders, book debts beyond the cover period and non-current assets excluding retention money and investments. Second paripassu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future.

#### (d) Term Loans from Banks

##### (i) ICICI Bank

The loan amount of ₹ 1,627.51 million (₹ 1,627.51 million), is secured by first and exclusive hypothecation charge over specific fixed assets of the Company including freehold land.

##### (ii) IndusInd Bank

The loan amount of ₹ 714.89 millions (₹ 714.89 million), is secured by equitable mortgage of land and pledge of certain equity shares held in subsidiaries, as per the terms of sanction letter.

##### (iii) Punjab & Sind Bank

Secured by first and exclusive hypothecation charge over specific fixed assets of the Company. The balance outstanding as at March 31, 2019 is ₹ 56.99 million (₹ 56.99 million), which is overdue.

##### (iv) AXIS Bank

Out of loan amount of ₹ 304.69 million (₹ 304.69 million), ₹ 46.50 million was secured by specific equipments.

##### (v) Nova Scotia

The loan amount of ₹ 250.00 million is secured by mortgage of freehold land.

##### (vi) TATA Capital Financial Services Limited

Equitable mortgage over Club House bearing Sy. No. 25, Hill Ridge Springs, Gachibowli, Hyderabad, 2) value of pledge of 29.7% shares of IVRCL Salem Tollways Limited and 29.7% shares of IVRCL in Kumarapalyam Tollways Limited

##### (vii) SREI Equipment Finance Private Limited

The loan amount of ₹ 1,199.63 million (₹ 1,203.63 million) is secured by first charge by way of hypothecation of specific movable assets.

##### (viii) Standard Chartered Bank (External Commercial Borrowings)

Secured by First charge on exclusive hypothecation of construction equipment procured out of loan amount.

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated

(ix) Union Bank of India



Secured by first and exclusive hypothecation charge over specific fixed assets of the Company. The balance outstanding as at March 31, 2019 is ₹ 879.52 million (₹ 879.52 million), which is overdue.

## II Project Specific Working Capital Loan from Banks

Project Specific Working Capital Loan from Banks are secured by hypothecation of book debts and inventory and other current assets of respective projects.

## III Funded Interest Term Loan

The interest due and accrued on Term Loan, Non-Convertible Debentures, Short Term Loans, Equipment Term Loans, CGTL, WCTL-I, WCTL-II facilities from Cut-off-Date to till September 30, 2015 was to be funded and converted into a Funded Interest Term Loan. The proposed FITL along with accrued interest was to be converted into equity based on the earlier CDR regulatory guide lines.

## IV 12.15% Non-Convertible Debentures

2,000 Debentures of ₹ 1,000,000 each issued to Life Insurance Corporation of India during the year 2008-09. The debentures were due for redemption at the end of five years (i.e., December 19, 2013) from the date of allotment. The debentures are secured by way of first pari passu charge over certain specific fixed assets including immovable properties of the Company. IDBI Trusteeship Services Limited, Mumbai were the trustees for the debenture holders in respect of the non-convertible debentures.

## V Promotors Guarantee (Additional Security)

On the failure of the Company to pay and/or discharge any of its Guaranteed Obligations in full, or in part or on failure to comply with its obligations under the CDR Documents, the Promotor shall, unconditionally and irrevocably, upon demand raised by the Security Trustee, pay to the Security Trustee without demur or protest, forthwith, the amount stated in the demand certificate, as if he was the primary obligor and principal debtor and not merely as surety in respect of that amount, the amount stated in the demand certificate (the "Demand Certificate", in the form and manner set out in Deed of Guarantee, which shall mean any demand made by the Security Trustee on the Promotor, thereby invoking this Guarantee)

## 24. Trade Payables (Refer Note 43, 44, 57, 60 & 61)

	As At March 31, 2019	As At March 31, 2018
(i) Total Outstanding Dues to Micro, Small and Medium Enterprise	8.01	28.00
(ii) Other Outstanding Dues of Creditors other than Micro, Small and Medium Enterprise	13,196.09	12,906.15
	<b>13,204.10</b>	<b>12,934.15</b>

## 25. Other Financial Liabilities

	As At March 31, 2019	As At March 31, 2018
(a) Interest Accrued and Due on Borrowings (Refer Note 23.2, 37, 43, 44 & 57)	21,999.89	15,398.33
(b) Payable to Related Parties (Refer Note 61)		
Subsidiaries	306.66	803.71
Joint Ventures	249.43	477.62
Directors	16.71	16.71
(c) Payables on Purchase of Fixed Assets	0.13	0.13
(d) Accrued salaries and Employee Benefits	168.68	176.44
(e) Interest on Amounts Due to Micro and Small Enterprises (Refer Note 60)	27.00	27.00
(f) Liabilities related with non-current assets held for Sale (Refer Note 17)	378.03	378.03
(g) Liability towards Investors Education Fund under section 205C of the Companies Act, 1956 (Refer Note 15)		
- Unclaimed Dividends	1.10	1.10
	<b>23,147.63</b>	<b>17,279.07</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 26. Other Current Liabilities - Non Financial Liabilities

	As At March 31, 2019	As At March 31, 2018
(a) Advances Received from Contractee-Clients (Refer Note 61)	1,894.26	2,110.06
(b) Amounts Payable in respect of Development Rights (Refer 26.1)	1,446.53	1,446.53
(c) Statutory Remittances	1,645.71	2,148.90
(d) Interest Accrued on Others	522.52	445.19
	<b>5,509.02</b>	<b>6,150.68</b>

**26.1** Amount payable is pertaining to land parcels/development rights sold in earlier years. The Company has obligation to pay the consideration to original allotting authority, If the buyer fails to make payment to the authority. Company is entitled to recover such payments from the buyer. So far the Company has not received any demand from the authority in respect of any demand/liability not paid by the buyer. however, as a matter of prudence the liability payable and corresponding recoverables has been recognized in the books.

### 27. Revenue from Operations (Refer Note 61)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Construction Revenue	6,952.43	13,779.90
Add: Company's Share of profit/(Loss) in Joint Ventures (Refer Note 65 (a))	6.17	20.59
	<b>6,958.60</b>	<b>13,800.49</b>
(b) Other Operating Income	333.73	334.18
	<b>7,292.33</b>	<b>14,134.67</b>

### 28. Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Interest Income		
Term Deposits with Banks	27.22	33.39
Finance income on unwinding of financial assets (Refer Note 61)	43.01	39.82
(b) Dividend Income	0.04	0.04
(c) Liabilities no Longer Required written back	0.30	263.16
(d) Provisions Written Back	132.91	306.04
(e) Foreign Exchange Gain	-	-
(f) Rental income from Investment Property	1.54	7.37
(g) Profit on Assets sold / discarded (Net)	0.07	34.53
(h) Insurance Claim received	-	170.94
(g) Miscellaneous Income	25.68	10.07
	<b>230.76</b>	<b>865.36</b>

### 29. Cost of Construction Material Consumed

	Year ended March 31, 2019	Year ended March 31, 2018
Construction Stores, Spares and Materials Consumed		
Opening Stock	666.86	987.89
Add: Purchases	362.02	1,902.81
Less : Closing Stock	538.52	666.86
	<b>490.36</b>	<b>2,223.84</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 30. Subcontracting Expenses (Refer Note 61)

	Year ended March 31, 2019	Year ended March 31, 2018
Subcontractor's Work Bills	4,694.19	9,628.83
	<b>4,694.19</b>	<b>9,628.83</b>

### 31. Masonary Labour and Other Construction Expenses

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Masonry and other Works	658.64	2,639.93
(b) Indirect Taxes and Cess	964.45	1,456.78
(c) Machinery Hire Charges	59.70	227.51
(d) Repairs and Maintenance		
Construction Machinery	10.96	77.95
Others	23.77	38.35
(e) Electricity and Water Charges	25.82	70.40
(f) Royalty	0.83	7.37
(g) Laboratory Testing Charges	0.14	2.25
(h) Other Construction Expenses	114.12	203.19
	<b>1,858.43</b>	<b>4,723.73</b>

### 32. Employee Benefits Expense (Refer Note 51 & 61)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Salaries, Wages and Bonus	596.41	838.90
(b) Contribution to Provident, Superannuation and Other Funds	60.60	90.32
(c) Staff Welfare Expenses	34.53	83.39
	<b>691.54</b>	<b>1,012.61</b>

### 33. Finance Costs (Refer Note 51)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Interest Expense	12,139.77	9,976.21
(b) Other Borrowing Cost (Other financial charges)	52.19	162.33
	<b>12,191.96</b>	<b>10,138.54</b>



## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 34. Other Expenses

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Rent	28.44	51.19
(b) Office Maintenance	30.79	57.84
(c) Rates and Taxes	5.89	15.81
(d) Travelling and Conveyance	26.55	50.90
(e) Legal and Professional Charges	81.55	270.32
(f) Corporate Insolvency Professional Fees	72.00	7.00
(g) Project Monitoring Mangement Consulting Services	6.16	1.18
(h) Insurance	37.38	59.36
(i) Communication Expenses	7.60	15.16
(j) Printing and Stationery	2.66	6.52
(k) Tender Expenses	-	0.23
(l) Business Promotion	0.18	3.36
(m) Auditors' Remuneration (Refer Note 59)	6.67	6.72
(n) Advertisement and Publicity	2.89	2.81
(o) Loss on Sale of Investments	-	2.00
(p) Provision for doubtful debts, advances and deposits (Refer Note 61)	502.23	-
(q) Provision for Investments	-	1,221.20
(r) Bad Debts Written Off	-	46.84
(s) Miscellaneous Expenses	8.71	6.71
	<b>819.70</b>	<b>1,825.15</b>

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 35. Contingent Liabilities and commitments:

#### A. Contingent liabilities:

S. No.	Particulars	As at March 31, 2019	As at March 31, 2018
I	Claims against the Company not acknowledged as debt	16714.20	22,706.81
II	Guarantees		
	a. Corporate guarantees extended on behalf of subsidiary Companies, Joint Ventures and associates	40,707.61	56,401.67#
	b. Letter of Credits, Bank Guarantees including performance bank guarantees issued by the banks on behalf of the Company (Net of liability)	7,945.89	11,449.89
III	Other money for which the Company is contingently liable		
	*Provident Fund matters	61.27	61.27
	*Sales-tax / WCT / VAT matters	3,217.21	1,401.13
	*Excise/Service Tax matters	11,411.76	11,729.77
	Recompense payable	-	-
	Finance expenses clamied by bank/Financial institution@	-	2768.36

# Including the corporate guarantee of ₹ 403.99 Million issued in respect of one subsidiary company for which approval of Reserve Bank of India is pending to be received.

\* Including estimated interest / penalty as may be determined / levied on the conclusion of the matters.

@ Lenders with the approval of CDREG shall have the right to recompense on the reliefs/sacrifices/waivers extended by CDR lenders as per CDR guidelines. As the company is out of CDR, this clause is not applicable and no contingent liability is recognised.

#### IV. Impact of pending legal cases

The company is party to several cases with contractee/clients as well as vendors/sub-contractors, pending before various forums/courts/ arbitration proceedings. Due to the initiation of CIRP against the company during the previous year, the moratorium has been declared inter-alia against any recovery proceedings/winding up proceedings against the Company as more fully described in Note 37 below.

The Company is also liable jointly and severally in respect of joint venture projects and liquidated damages in completion of projects.

36. As more fully described in Note 37 below, as per section 134 of the Companies Act, 2013, the standalone financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two Directors, of which one shall be the Managing Director or the CEO (being a Director), the CFO and the Company Secretary where they are appointed. In view of the ongoing CIRP, powers of the board of directors have been suspended and these powers are, in terms of the code, now vested with Mr. Sutanu Sinha, as Interim Resolution Professional (IRP)/ Resolution Professional(RP) to carry out the functions of the Company in his capacity as the IRP / RP from February 23, 2018 and April 03,2018 respectively. Accordingly, Financial statements of the Company for the year ended March 31, 2019 were taken on record and authorized for issue by Resolution Professional (RP) on May 30, 2019.
37. During the previous year, a lender has filed a petition against the Company for initiation of CIRP that has been admitted by the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") vide its order dated February 23, 2018 declaring moratorium inter-alia against any recovery proceedings/winding up proceedings against the Company. The order of moratorium shall have effect from February 23, 2018 in accordance with section 14 (1) of the Insolvency and bankruptcy Code, 2016 ("the Code").

Further, pursuant to the order of NCLT, a public announcement of CIRP was made on March 03, 2018 and a Committee of Creditors (COC) was formed pursuant to the provisions of the code and COC held their first meeting on March 29, 2018 and inter alia confirmed Interim Resolution Professional as Resolution professional (RP) for the Company. Hence, term loan including Working Capital Term Loan, Funded Interest Term Loan, Priority Debts etc has been classified as current borrowings as repayable on demand.

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



38. During the year, the Company has incurred a net loss of ₹ 15,452.08 Million resulting in to accumulated losses of ₹ 57,217.03 Million as at March 31, 2019 and erosion of its Net worth. The Company has obligations towards fund based borrowings aggregating to ₹ 92,580.77 Million and non fund based exposure aggregating to ₹ 8,870.28 Million, subject to reconciliation/verification as stated in Note 43 below, that have been demanded/recalled by the financial creditors pursuant to CIRP, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2019. The Company's ability to continue as going concern is dependent upon many factors including continued support from the financial creditors, operational creditors and submission of a viable revival plan by the prospective investor/bidder. In the opinion of the management, resolution and revival of the company is possible in foreseeable future, accordingly, in view of ongoing CIRP, above results have been prepared on the basis that the Company is a Going Concern.
39. The Company had recognition of deferred tax assets on account of carried forward unused tax losses and other taxable temporary differences aggregating to ₹ 9,570.59 Million (₹ 9,570.59 Million as at March 31, 2018). Based on unexecuted orders on hand and expected future orders in view of the ongoing CIRP, the Management of the Company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realised.
40. The Company has certain trade receivables, unbilled revenue, security deposit, withheld, claims of indirect taxes and other deposits including bank guarantee encashed by the customers aggregating to ₹ 27,000.76 Million (₹19,682.35 Million as at March 31, 2018) which are subject matters of various disputes / arbitration proceedings / negotiations with the contractee/clients due to termination / fore closure of contracts and other disputes. The management of the Company is confident of positive outcome of litigations / resolutions of disputes and recovering the aforesaid dues. Performance Bank Guarantee invoked during the CIRP period amounting to ₹ 1,732.28 Million have been provided for in the profit and loss account under the head "Exceptional Item". However, the management is in the process of initiating arbitration/other legal action for such invocations.
41. The Company has an investment of ₹ 12,063.29 Million (₹12,063.29 Million as at March 31, 2018) in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2019. The management of the Company is at various stages of negotiation/communication/arbitration with respective contractee/clients of such subsidiaries engaged in BOT and other projects to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss making subsidiary Companies. Considering the long-term nature of investments and in view of ongoing discussion, no provision has been considered necessary by the management in respect of impairment in the value of investment.
42. The Company has outstanding loans and advances of ₹ 7,215.75 Million (₹7,142.20 Million as at March 31, 2018) given to subsidiary companies, associate, net receivable against development rights, various sub-contractors, vendors and other parties that are outstanding for long period. The management of the Company is at various stages of negotiation/communication/arbitration with respective contractee/clients/ sub-contractors/vendors to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss making subsidiary Companies. Accordingly, no provision has been considered necessary by the management in respect of impairment in the value of loans and advances.
43. Pursuant to the commencement of Corporate Insolvency Resolution Process(CIRP) of the Company under Insolvency and Bankruptcy Code, 2016 (IBC), there are various claims submitted by the operational creditors, the financial creditors, employees and other creditors against the Company including the claim on Company's subsidiaries. Some of these claims are under further verification/validation and the same may be updated as per any additional information which may be received in future
44. Confirmation of balances could not be obtained as at March 31, 2019 for banks balances, bank borrowings and for various trade receivables, trade payables, though, the management has requested for the confirmation of balances. Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.
45. Physical verification for fixed assets aggregating to ₹ 1,518.27 Million (Net block as on March 31, 2019) and inventory aggregating to ₹ 405.18 Million could not be carried out at certain locations including project site that are terminated/foreclosed/ having slow progress. Management believe that no item of fixed assets and inventory has a net realizable value in the ordinary course of business which is less than the amount at which it is included in the fixed assets and inventories. Accordingly, no provision is required in respect of such fixed assets and inventories.
46. The company has various input credits and balances with various statutory authorities pertaining to service tax, VAT, sales tax etc aggregating to ₹ 2,120.56 Million (₹2,003.47 Million as at March 31, 2018). The recovery of these amounts is subject to reconciliation, filing of returns and admission by respective statutory authorities. No adjustments has been made in the books of accounts in respect of such amounts.

## Notes to Standalone Financial Statements



All amounts are ₹ In Million unless otherwise stated

47. During the previous year, the company has received a Show Cause Notice U/s 279 (1) of the IT Act 1961 for initiation of prosecution proceedings U/s 276 (B) of the IT Act 1961 for failure to deposit the deducted Tax at Source within due date in Central Government Account for financial year 2016-17 & 2017-18 for the amount of ₹ 103.40 Million and ₹ 189.12 Million respectively.

In respect of the above, IT department has also sent notices U/s 226 (3) of the IT Act, 1961 to certain banks and customers of the company demanding the recovery of aforesaid arrears.

The Resolution Professional has communicated to the IT department about the ongoing CIRP and requested the IT department to withdraw the aforesaid notice and not to proceed with any further actions against the company in this regard. Subsequently, application under section 60(5) of the Insolvency and Bankruptcy Code 2016 has been filed with the National Company Law Tribunal, Hyderabad to seek necessary orders in this regard and matter is pending for decision.

48. During the previous year, the company has received order of the Regional Provident Fund Commissioner in the matter of levy of damages pertaining to the earlier years U/s 14 B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 aggregating to ₹ 0.41 Million for the period from 10/1999 to 02/2009 and ₹ 60.86 Million for the period from 07/2009 to 03/2015.

In respect of the above, the Employees' Provident Fund Organisation has also sent notice U/s 8f of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 to a bank demanding the recovery of ₹ 91.22 Million (including interest of ₹ 29.95 Million).

The company has filed an appeal U/s 7-I of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 with Employees' Provident Fund Appellate Tribunal, Bangalore Bench regarding the damages amounting to ₹ 61.27 Million and the matter is presently sub-judice.

49. Other expenses for the year ended on March 31, 2019 includes provision for doubtful trade receivables aggregating to ₹ 493.56 Million (for the year ended March 31, 2018 is ₹ 1,221.20 Million) and masonry, labour and other construction expense has been adjusted with GST input tax credit of Rs. 56.61 Million pertaining to the previous year.
50. During the pyear ended December 31, 2019 on review of the project status, excess unbilled revenue of ₹ 180.08 Million has been adjusted with revenue from operations.
51. Details of Employees Benefits as required by the Ind AS 19 "Employee Benefits" are given below:-

**(a) Defined contribution plans:**

(₹ in million)

During the year, the company has recognised the following amounts in the Statement of Profit & Loss:

	Year ended March 31, 2019	Year ended March 31, 2018
Contribution to Provident Fund	40.33	60.87
Contribution to Superannuation Fund	12.19	16.67
Contribution to Employees' State Insurance	0.74	0.77

**(b) Defined Benefit Plan:**

Reconciliation of opening and closing balances of Defined Benefit obligation

	Year ended March 31, 2019 Gratuity	Year ended March 31, 2018 Gratuity
Gratuity (Unfunded)/(funded)		
Changes in defined benefit obligation		
Defined Benefits obligation at the beginning of the year	155.70	174.18
Current Service Cost	11.53	14.58
Interest Cost	11.77	12.70
Actuarial (gain)/loss	5.21	1.74
Benefit paid	(37.35)	(47.49)
Defined Benefit obligation at the year end	146.87	155.70

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Year ended March 31, 2019 Gratuity	Year ended March 31, 2018 Gratuity
Amount to be recognised in Balance Sheet		
Present value of Funded obligation	146.87	155.70
Fair value of plan assets	(175.36)	(191.72)
Adjustment	-	-
Net (assets)/liability	(28.50)	(36.02)
Expenses to be recognized in statement of Profit and Loss		
Current Service Cost	11.53	14.58
Interest Cost	11.77	12.70
Interest Income	(14.49)	(7.78)
<b>Total</b>	<b>8.81</b>	<b>19.50</b>
<b>Expenses to be recognized in statement of Profit and Loss under Other Comprehensive Income</b>		
Actuarial (Gains)/Losses on the obligation for the period	5.21	1.74
Return on plan assets excluding interest income	(6.16)	0.27
	<b>(0.95)</b>	<b>2.01</b>
Actuarial assumption		
Discount rate (per annum)	7.47%	7.56%
Rate of escalation in salary (per annum)	5.00%	5.00%
Expected return on Plan Assets	7.47%	7.56%
Attrition		
- First 4 years of service	13%	13%
- After 4 years of service	5%	5%

The estimate of rate of escalation is salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the actuary.

- (c) Quantities sensitivity analysis for significant assumptions is as below:

(₹ in million)

	As At March 31, 2019	As At March 31, 2018
1% increase		
(i) Discount rate	(7.20)	(9.41)
(ii) Salary escalation rate	8.22	10.82
(iii) Attrition rate	1.33	1.88
1% decrease		
(i) Discount rate	8.10	10.65
(ii) Salary escalation rate	(7.42)	(9.72)
(iii) Attrition rate	(1.46)	(2.08)

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### (d) Maturity analysis of defined benefit obligation

(₹ in Million)

	As At March 31, 2019	As At March 31, 2018
Within the next 12 months	43.66	22.46
Between 2 and 5 Years	42.91	55.40
Between 6 and 10 Years	53.72	63.79

(e) In accordance with the payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India and balance is provided on the basis of valuation of the liability by an independent actuary as at the period end. The invested return earned on the policy comprises bonus declared by LIC having regard to LIC's investment earnings. The information on the allocation of the fund into major asset classes and expected return on each major class are not available. The management understands that LIC's overall portfolio assets are well diversified and as such, the long-term return of the policy is expected to be higher than the rate of return on Central Government Bonds.

(f) Key Assumptions – Compensated absences

	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	7.47%	7.56%
Salary escalation rate	5.00%	5.00%

## 52. Financial Instruments

### 52.1 Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The Company is not subject to any externally imposed capital requirements.

The capital structure of the Company consists of net debt (borrowings as detailed in Notes 23 & 25 and 14 & 15 offset by cash and bank balances) and total equity of the Company. Equity consists of equity capital, share premium and all other equity reserves attributable to the equity holders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

### 52.2 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise investments, cash and bank balance, trade and other receivables.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

#### a. Market risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and changes in interest rates. There have been no changes to the Company's exposure to market risk or the manner in which it manages and measures the risk in recent past.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and bank deposits.

#### i. 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

# Notes to Standalone Financial Statements



All amounts are ₹ In Million unless otherwise stated

changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is limited as the Company's borrowings bear fixed interest rate.

## ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's borrowings. The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies. For details of un-hedge foreign currency refer Note 57.

## b. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy customers.

Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

At March 31, 2019, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

## c. Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the Company. The Company has established an appropriate liquidity risk management framework for its short-term, medium term and long-term funding requirement.

The table below summarizes the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments:

Particulars	Less than 1 year	1-5 years	> 5 years	Total
<b>March 31, 2019</b>				
Borrowings and interest thereon	92,580.77	-	-	92,580.77
Trade and other payables	13,204.10	-	-	13,204.10
Other financial liabilities	1,147.74	-	-	1,147.74
<b>March 31, 2018</b>				
Borrowings and interest thereon	77,577.28	-	-	77,577.28
Trade and other payables	12,934.15	-	-	12,934.15
Other financial liabilities	1,880.74	-	-	1,880.74

## 53. Fair Value measurements

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

- Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.



# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## A. Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2019 were as follows:

Particulars	Note No	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total Carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
<b>Investment</b>								
Investment in equity shares (Quoted, in subsidiary Company)	5	-	-	-	-	-	-	-
Investment in equity shares (UnQuoted, in subsidiary companies)	5	13,327.32	-	-	-	-	13,327.32	13,327.32
Other investment in equity shares (UnQuoted)	5	-	-	305.54	-	-	305.54	305.54
Investment in other than equity shares (UnQuoted)	5	-	-	2.00	-	-	2.00	2.00
Investment in preference shares (UnQuoted)	5	300.00	-	-	-	-	300.00	300.00
Investment in Associate body corporate	5	4,204.88	-	-	-	-	4,204.88	4,204.88
Investment in Joint Ventures	5	185.77	-	-	-	-	185.77	185.77
Trade receivables	6 & 13	14,442.13	-	-	-	-	14,442.13	14,442.13
Loans	7 & 16	6,156.34	-	-	-	-	6,156.34	6,156.34
Other financial assets	8 & 17	12,711.72	-	-	-	-	12,711.72	12,711.72
Cash and cash equivalent	14	873.94	-	-	-	-	873.94	873.94
Bank balances	15	217.87	-	-	-	-	217.87	217.87
<b>Liabilities:</b>								
(a) Borrowings	23	70,580.88	-	-	-	-	70,580.88	70,580.88
(b) Trade payables	24	13,204.10	-	-	-	-	13,204.10	13,204.10
(c) Other financial liabilities	25	23,147.63	-	-	-	-	23,147.63	23,147.63

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



The carrying value and fair value of financial instruments by categories as at March 31, 2018 were as follows:

Particulars	Note No	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total Carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
<b>Investment</b>								
Investment in equity shares (Quoted, in subsidiary Company)	5	-	-	-	-	-	-	-
Investment in equity shares (UnQuoted, in subsidiary companies)	5	13,327.32	-	-	-	-	13,327.32	13,327.32
Other investment in equity shares (UnQuoted)	5	-	-	305.54	-	-	305.54	305.54
Investment in other than equity shares (UnQuoted)	5	-	-	2.00	-	-	2	2
Investment in Partnership Firm	5	-	-	-	-	-	-	-
Investment in Associate body corporate	5	4,204.88	-	-	-	-	4,204.88	4,204.88
Investment in Joint Ventures	5	179.67	-	-	-	-	179.67	179.67
Trade receivables	6 & 13	14,869.32	-	-	-	-	14,869.32	14,869.32
Loans	7 & 16	6,113.33	-	-	-	-	6,113.33	6,113.33
Other financial assets	8 & 17	11,492.06	-	-	-	-	11,492.06	11,492.06
Cash and cash equivalent	14	1,572.31	-	-	-	-	1,572.31	1,572.31
Bank balances	15	256.89	-	-	-	-	256.89	256.89
<b>Liabilities:</b>								
(a) Borrowings	23	62,178.95	-	-	-	-	62,178.95	62,178.95
(b) Trade payables	24	12,934.15	-	-	-	-	12,934.15	12,934.15
(c) Other financial liabilities	25	17,279.07	-	-	-	-	17,279.07	17,279.07

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### B. Fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3- Inputs for the assets or the liabilities that are not based on observable market data (unobservable Inputs).

Assets	March 31, 2019			March 31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in equity shares (Unquoted)#	-	-	305.54	-	-	305.54
Investment in other than equity shares (UnQuoted)#	-	-	2.00	-	-	2.00

#In absence of sufficient more recent information to measure fair value of the above investment, the cost has been considered as fair value.

### 54. Income tax (expense)/credit:

	Year ended March 31, 2019	Year ended March 31, 2018
<b>a. Components of Income Tax Expense</b>		
<b>Current Tax</b>		
Current year		-
Earlier year		-
<b>Deferred tax (expense)/credit</b>		
Current year	(14.88)	40.89
Earlier year		-
Income tax expense for the year recognised in the Statement of Profit and Loss	(14.88)	40.89

<b>b. Reconciliation of Income tax expense/(credit) to the accounting profit for the year</b>		
	Year ended March 31, 2019	Year ended March 31, 2018
Profit/(loss) before tax	(15,437.81)	(19,953.02)
Applicable income tax rate	34.608%	34.608%
Computed expected tax expense/(credit)	(5,342.72)	(6,905.34)*
Effect of current year's allowable unused tax losses as per Income tax Act 1961	-	-
Effect of current year's unabsorbed depreciation as per Income tax Act 1961	-	-
Other timing differences	14.88	(40.89)
Deferred Tax Assets Written off		-
	<b>14.88</b>	<b>(40.89)</b>
<b>Income tax expense/(credit) on timing differences pertaining to current year (Total A)</b>	<b>14.88</b>	<b>(40.89)</b>
Effect of earlier years' allowable on unused tax losses as per Income tax Act 1961	-	-

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



b. Reconciliation of Income tax expense/(credit) to the accounting profit for the year		
	Year ended March 31, 2019	Year ended March 31, 2018
Effect of earlier years' unabsorbed Dep as per Income tax Act 1961	-	-
Effect of earlier years' provisions	-	-
Effect of earlier years' items allowable on payment basis as per Income Tax Act, 1961	-	-
<b>Effect of deferred tax assets recognized during current year on earlier year items (Total B)</b>	-	-
<b>Tax expense/(credit) for the year (A+B)</b>	14.88	(40.89)

\* Deferred tax assets on the loss for the year was not recognised.

### 55. Components and movement in deferred tax

	Year ended March 31, 2019				Year ended March 31, 2018			
	As at April 1, 2018	Credit / (charge) in Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2019	As at April 1, 2017	Credit / (charge) in Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2018
Deferred tax assets/ (liabilities)	9,723.45	-	-	9,723.45	9,723.45	-	-	9,723.45
Reversal/ Adjustment	-	-	-	-	-	-	-	-
Actuarial Gain transferred from Profit and loss	0.70	-	(0.33)	0.37	-	-	0.70	0.70
Measurement of financial instruments at Fair value	40.89	(14.88)	-	26.01	-	40.89	-	40.89
Unused tax losses/ Unabsorbed Dep	-	-	-	-	-	-	-	-
Deferred tax assets/ (liabilities)	9,765.04	(14.88)	(0.33)	9,749.83	9,723.45	40.89	0.70	9,765.04

No deferred tax assets has been recognized on unused tax losses amounting to ₹ 3,310.09 Million pertaining to assessment year 2014-15. Such unused tax losses expires in assessment year 2022-23 as per the provisions of Income Tax Act, 1961.

### 56. Disclosure pursuant to Indian Accounting Standard - 115 "Revenue from Contracts with Customers"

In terms of the disclosure required to be made under the Indian Accounting standard 115 for "Revenue from Contracts with Customers" are as follows:

	As at March 31, 2019	As at March 31, 2018
<b>Receiveables:</b>		
-Non Current (Gross)	8,135.68	6,211.29
-Current (Gross)	14,906.21	16,897.10
-Provision for impairment loss (Non Current)	3,701.15	3,267.18
-Provision for impairment loss (Current)	4,898.61	4,971.31
<b>Contract Assets:</b>		
Unbilled Revenue		
-Non Current	-	-
-Current	11,322.29	12,077.39
-Provision for impairment loss (Current)	-	-
<b>Contract Liabilities:</b>		
Advance received from customers		
-Current	1,894.26	2,110.06

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 57. Foreign currency exposure:

The detail of un-hedge foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below:

Particulars	Currency	As at 31.03.2019		As at 31.03.2018	
		Foreign currency	INR	Foreign currency	INR
External Commercial Borrowing	USD	11.37	787.61	11.37	739.45
Short Term Borrowings	EURO	-	-	-	-
Trade Payables	AED	0.36	6.83	0.36	6.42
	SAR	0.43	8.02	0.43	7.54
	NPR	83.90	52.39	73.82	46.13
	KES	215.83	148.63	199.52	128.62
	KWD	0.85	193.17	0.85	184.32
	TZS	4,194.32	125.70	4,194.32	120.84
Other Liabilities	AED	0.37	6.89	0.37	6.48
	NPR	1.54	0.96	1.54	0.96
	KES	581.86	400.72	559.88	360.94
	KWD	0.01	1.79	0.01	1.71
	TZS	564.93	16.93	564.93	16.28
Trade Receivables	AED	2.13	40.22	2.13	37.82
	SAR	-	-	-	-
	NPR	5.84	3.64	5.78	3.61
	KES	334.83	230.59	414.17	267.00
	KWD	0.95	215.34	0.95	205.49
	TZS	-	-	-	-
Loans and Advances	AED	0.55	10.33	0.55	9.71
	NPR	16.74	10.41	6.66	4.16
	KES	161.37	111.13	159.33	102.71
	KWD	0.05	10.94	0.05	10.44
	TZS	4,705.99	141.04	4,705.99	135.58
Bank balances	AED	-	0.03	-	-
	SAR	-	-	-	-
	NPR	0.36	0.22	0.36	0.22
	KES	183.13	126.12	151.92	97.94
	TZS	-	-	6.37	0.18
Cash	AED	-	-	-	-
	SAR	-	-	-	-
	NPR	-	-	-	-
	KES	-	-	0.20	0.13
	KWD	-	-	-	-
	TZS	0.15	0.00	0.15	-

### 57. (a) Expenditure and Income in foreign currency

#### i) Income

	As at March 31, 2019	As at March 31, 2018
(a) Overseas Contract Revenue	-	332.96
(b) Other Income	9.86	170.94

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### ii) Expenditure

	As at March 31, 2019	As at March 31, 2018
(a) Travelling Expenses	0.03	0.22
(b) Professional and consultancy charges	0.60	64.27
(c) Interest Expenses	42.54	123.43
(d) Overseas Contract Expenditure	36.23	558.56

### 58. Earning Per Share (EPS)

	As at March 31, 2019	As at March 31, 2018
(a) Net loss for the year before OCI for calculation of basic and diluted EPS (₹ in Million)	(15,452.69)	(19,912.13)
(b) Weighted average number of equity shares outstanding for calculation of EPS	782,897,692	782,897,692
(c) Basic and diluted EPS	(19.74)	(25.43)

### 59. Auditors Remuneration (Excluding Service tax)

	As at March 31, 2019	As at March 31, 2018
(a) Statutory Audit	5.00	5.00
(b) Limited Reviews	1.50	1.50
(c) Tax Audit	-	-
(d) Other Service	-	0.17
(e) Reimbursement of expense	0.17	0.05
	<b>6.67</b>	<b>6.72</b>

### 60. Dues to Micro and Small Enterprises

Information related to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company. The required disclosures are given below:

	As at March 31, 2019	As at March 31, 2018
<b>(a) Dues remaining unpaid as at Balance Sheet date</b>		
Principal amount	5.92	28.00
Interest on the above	8.71	27.00
(b) Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier and service providers beyond the appointed day during the period	-	-
Principal amount	-	-
Interest on the above	-	-
(c) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Act.	-	-
(d) 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.	-	-
(e) Interest accrued and remaining unpaid as at Balance Sheet date	14.63	27.00

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 61. Related Party Disclosure

Information regarding Related Party Transactions as per Indian Accounting Standard 24 is given below:

### 61.1 List of Related Parties and Relationships

#### A. Subsidiaries Companies

Sl. No.	Name of the Company	Country of Incorporation	% of Company's Holding as at		Subsidiaries of
			March 31, 2019	March 31, 2018	
1	IVRCL PSC Pipes Private Limited	India	66.43	66.43	IVRCL Limited
2	IVR Enviro Projects Private Limited	India	97.49	97.49	IVRCL Limited
3	Chennai Water Desalination Limited	India	75.00	75.00	IVRCL Limited
4	Salem Tollways Limited	India	100.00	100.00	IVRCL Limited
5	Kumarapalyam Tollways Limited	India	100.00	100.00	IVRCL Limited
6	IVRCL Steel Construction & Services Limited	India	100.00	100.00	IVRCL Limited
7	Jalandhar Amritsar Tollways Limited	India	100.00	100.00	IVRCL Limited
8	IVRCL Indore Gujarat Tollways Limited1#	India	-	-	IVRCL Limited
9	IVRCL Chengapalli Tollways Limited	India	100.00	100.00	IVRCL Limited
10	IVRCL Patalaganga Truck Terminals Pvt. Limited1	India	100.00	100.00	IVRCL Limited
11	IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited	India	60.00	60.00	IVRCL Limited
12	Alkor Petroo Limited	India	64.03	64.03	IVRCL Limited
13	IVRCL Building Products Private Limited (IBPPL)	India	60.00	60.00	IVRCL Limited
14	IVRCL Chandrapur Tollways Limited	India	100.00	100.00	IVRCL Limited
15	Sapthashva Solar Limited	India	51.00	51.00	IVRCL Limited
16	RIHIM Developers Private Limited1	India	100.00	100.00	IVRCL Limited
17	IVRCL TLT Private Limited	India	100.00	100.00	IVRCL Limited
18	IVRCL Raipur Bilaspur Tollways Limited	India	100.00	100.00	IVRCL Limited
19	IVRCL Narnual Bhiwani Tollways Limited1	India	100.00	100.00	IVRCL Limited
20	IVR Hotels and Resorts Limited (IHRL)	India	66.88	66.88	IVRCL Limited
21	SPB Developers Private Limited	India	100.00	100.00	IVRCL Limited
22	IVRCL Lanka (Private) Limited	Sri Lanka	100.00	100.00	IVRCL Limited
23	First STP Private Limited1	India	100.00	100.00	IVRCL Limited
24	IVRCL Gundugolanu Rajahmundry Tollways Limited1	India	100.00	100.00	IVRCL Limited
25	IVRCL Patiala Bathinda Tollways Limited1	India	100.00	100.00	IVRCL Limited
26	IVR Prime Developers (Tambaram) Private Limited	India	100.00	100.00	IVRCL Limited
27	Davymarkham (India) Private Limited1	India	100.00	100.00	HDO
28	IVR Prime Developers (Palakkad) Private Limited1	India	100.00	100.00	IBPPL
29	IVR Prime Developers (Guindy) Private Limited1	India	100.00	100.00	IBPPL
30	IVRCL Mega Malls Limited1	India	100.00	100.00	RDPL
31	Agaram Developers Private Limited1	India	100.00	100.00	RDPL
32	Mummidi Developers Private Limited1	India	100.00	100.00	RDPL
33	Samatteri Developers Private Limited1	India	100.00	100.00	RDPL
34	Annupampattu Developers Private Limited1	India	100.00	100.00	RDPL
35	Tirumani Developers Private Limited1	India	100.00	100.00	RDPL
36	Ilavampedu Developers Private Limited1	India	100.00	100.00	RDPL
37	Gajuwaka Developers Private Limited1	India	100.00	100.00	RDPL
38	Chodavaram Developers Private Limited1	India	100.00	100.00	RDPL



# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



Sl. No.	Name of the Company	Country of Incorporation	% of Company's Holding as at		Subsidiaries of
			March 31, 2019	March 31, 2018	
39	Simhachalam Prime Developers Private Limited1	India	100.00	100.00	RDPL
40	Siripuram Developers Private Limited1	India	100.00	100.00	RDPL
41	Bibinagar Developers Private Limited1	India	100.00	100.00	RDPL
42	IVR Prime Developers (Erode) Private Limited1	India	100.00	100.00	RDPL
43	IVR Prime Developers (Guntur) Private Limited1	India	100.00	100.00	RDPL
44	IVR Prime Developers (Araku) Private Limited1	India	100.00	100.00	RDPL
45	Absorption Aircon Engineer Private Limited1	India	100.00	100.00	RDPL
46	IVR Vaanaprastha Private Limited1	India	100.00	100.00	RDPL
47	IVR PUDL Resorts & Clubs Private Limited1	India	100.00	100.00	RDPL
48	IVRCL Solar Energy Private Limited1	India	100.00	100.00	RDPL
49	IVR Prime Developers (Amalapuram) Private Limited1	India	100.00	100.00	RDPL
50	IVR Prime Developers (Red Hills) Private Limited1	India	100.00	100.00	RDPL
51	IVR Prime Developers (Tuni) Private Limited1	India	100.00	100.00	RDPL
52	IVR Prime Developers (Bobbilli) Private Limited1	India	100.00	100.00	RDPL
53	IVR Prime Developers (Bhimavaram) Private Limited1	India	100.00	100.00	RDPL
54	IVR Prime Developers (Adayar) Private Limited1	India	100.00	100.00	RDPL
55	IVR Prime Developers (Egmore ) Private Limited1	India	100.00	100.00	RDPL
56	Geo IVRCL Engineering Limited1	India	100.00	100.00	IHRL
57	Duvvda Developers Private Limited1	India	100.00	100.00	IHRL
58	Kunnam Developers Private Limited1	India	100.00	100.00	IHRL
59	Vedurwada Developers Private Limited1	India	100.00	100.00	IHRL
60	Rudravaram Developers Private Limited1	India	100.00	100.00	IHRL
61	Geo Prime Developers Private Limited1	India	100.00	100.00	IHRL
62	Theata Developers Private Limited1	India	100.00	100.00	IHRL
63	Kasibugga Developers Private Limited1	India	100.00	100.00	IHRL
64	Vijayawada Developers Private Limited1	India	100.00	100.00	IHRL
65	Eluru Developers Private Limited1	India	100.00	100.00	IHRL
66	Chengapally Road Infra Private Limited	India	100.00	100.00	IVRCL Limited
67	IVRCL EPC Limited	India	100.00	100.00	IVRCL Limited
68	Hindustan Dorr-Oliver Limited	India	55.03	55.03	IVRCL Limited
69	HDO Technologiess Limited	India	100	100	Hindustan Dorr-Oliver Limited
70	HDO (UK) Limited	UK	100	100	Hindustan Dorr-Oliver Limited
71	HDO Zambia Limited	Zambia	100	100	Hindustan Dorr-Oliver Limited

# The liquidation order of Hindustan Dorr-Oliver Limited has passed during the previous year.

1 Refer note 61.4 for corporate guarantee provided by the subsidiary companies.

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### B. Associate Companies

S. No.	Name of the Company	Country of Incorporation	Company's Holding as at (%)	
			March 31, 2019	March 31, 2018
1	IVRCL International Infrastructures & Projects LLC	UAE	49.00	49.00
2	Sushee - IVRCL Arunachal Highway Limited	India	26.00	26.00
3	IVRCL Indore Gujarat Tollways Limited1#	India	49.00	49.00

# During the previous year, IVRCL Indore Gujarat Tollways limited issued shares to its lenders thereby bringing the holding of IVRCL Limited below 50%.

### C. Joint Arrangements

The Company's joint venture as at March 31, 2019 is set out below. It has interest in joint ventures consisting of the proportion of ownership interests held by the Company. The principal place of business of these joint ventures is in India and is engaged in construction and infrastructure projects.

SI No	Name of the entity	Name of the Joint venture partner	% of ownership interest held by the company	
			As at March 31, 2019	As at March 31, 2018
1	IVRCL - NAVAYUGA & SEW (JV)#	i) SEW constructions Limited ii) Navyuga engineering Co. Limited	35.75%	35.75%
2	IVRCL,SEW & PRASAD (J.V)#	i) SEW constructions Limited ii) M/s. Prasad & Co. (Project works) Limited.	50.00%	50.00%
3	IVRCL-CR18G (JV) HYDERABAD#	i) China Railway 18th Bureau (Group) Co. Limited	90.00%	90.00%
4	IVRCL - SUSHEE JOINT VENTURE#	i) Sushee infra Pvt Limited	51.00%	51.00%
5	IVRCL - BPL -UCC – JV#	i) M/s. Backbone Project Limited ii) M/s. Unity construction Co.	60.00%	60.00%
6	IVRCL - RTE JV A/C#	i) Rocktech engineers	80.00%	80.00%
7	IVRCL-KMB-HDO JOINT VENTURE#	i) PJSC "Kyivmetrobud" ii) Hindustan Dorr-Oliver Limited	70.00%	70.00%
8	Bhanu IVRCL Associate#	i) Bhanu construction	50.00%	50.00%
9	IVRCL Tantia JV#	i) Tantia Construction Co.	50.00%	50.00%
10	IVRCL, BATPASCO, ABB & AAG (J.V.)	i) M/s. BT Patil & sons Belgaum (Construction Limited) ii) M/s. ABB Limited iii) M/s. Andritz AG	85.00%	85.00%
11	IVRCL, BATPASCO, WPIL & MHI (J.V.)	i) M/s. BT Patil & sons Belgaum (Construction Limited) ii) M/s. WIPL Limited iii) M/s. Mitsubishi Heavy Industries Limited	70.00%	70.00%
12	IVRCL-CR18G CONSORTIUM	i) China Railway 18th Bureau (Group) Co. Limited	70.00%	70.00%
13	IVRCL HARSHA (JV)	i) Harsha	80.00%	80.00%
14	IVRCL - JL (JV)	i) M/s. Jyoti Limited	90.00%	90.00%
15	IVRCL-KBL (JV) -L1	i) M/s. Kirloskar brothers Limited	80.00%	80.00%

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



SI No	Name of the entity	Name of the Joint venture partner	% of ownership interest held by the company	
			As at March 31, 2019	As at March 31, 2018
16	IVRCL-KBL-MEIL (JV)	i) Megha engineering & infrastructure Limited ii) M/s. Kirloskar brothers Limited	65.00%	65.00%
17	IVRCL -KIPL JV	i) M/s. KIPL	50.00%	50.00%
18	IVRCL - MBL (J.V) HYD	i) M/s. Mulay brothers Limited	75.00%	75.00%
19	IVRCL - SEW - WIPL (JV)	i) SEW constructions Limited ii) M/s. WIPL Limited	60.00%	60.00%
20	IVRCL SUSHEE CONSORTIUM	i) Sushee infra Pvt Limited	51.00%	51.00%
21	IVRCL-MCCDL-TCL-DM CONSORTIUM	i) MMCDL, TCL, DM	65.00%	65.00%
22	NAVAYUGA-IVRCL & SEW (JV)#	i) Navyuga engineering Co. Limited ii) SEW constructions Limited	35.75%	35.75%
23	SAPL & MBL-IVRCL (JV)	i) M/s. Shreehari associates (P) Limited ii) M/s. Mulay brothers Limited	39.00%	39.00%
24	SPCL & IVRCL(JV)	i) SPCL	49.00%	49.00%
25	U.A.N RAJU-IVRCL (KASHMIR) JV	i) UAN Raju Constructions Limited	51.00%	51.00%
26	UNITY IVRCL (JV)	i) Unity InfraProjects Limited	50.00%	50.00%
27	CR 18 G - IVRCL JV	i) China Railway 18th Bureau (Group) Co. Limited	30.00%	30.00%
28	IVRCL & RAJ JOINT VENTURE	i) M/s. Raj	32.17%	32.17%
29	KMB - IVRCL JOINT VENTURE	i) M/s. PJSC "Kyivmetrobud"	49.00%	49.00%
30	IVRCL-MRT(J.V)	i) M/s. MRT Signals Limited	85.00%	85.00%
31	IVRCL -G SHANKAR (JV).	i) Sri G Shankar	25.00%	25.00%
32	IVRCL-MVPR (JV)	i) M/s. MVPR Infrastructure Limited.	51.00%	51.00%

# the company is lead partner and has significant influence over joint ventures accordingly interest in joint venture is accounted as investment at cost. In case of others the other party to join venture is lead partner and accordingly the interest in such joint ventures is accounted in accordance with IND AS 109 Financial instruments.

## D Enterprises owned or significantly influenced by key management personnel or their relatives (presently & previously)

1	S.V. Equities Limited <sup>1</sup>	5	Eragam Finlease Limited <sup>1</sup>
2	Palladium Infrastructures & Projects Limited <sup>1</sup>	6	Indus Palms Hotels & Resorts Limited
3	Soma Hotels & Resorts Limited	7	A.P. Enercon Engineers Private Limited
4	Eragam Holdings Limited	8	IOTL Utkal Energy Services Limited

## E Key Management Personnel

1	Mr. E. Sudhir Reddy	Former Chairman & Managing Director
2	Mr. R. Balarami Reddy	CFO
3	Mr. B. Subrahmanyam	Company Secretary

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



### F Relatives of Key Management Personnel

1	Mrs. E. Sujatha Reddy	
2	Mr. E. Sunil Reddy	
3	Mr. E. Sidhanth Reddy	
4	Mr. E. Sanjeet Reddy	Relative of Chairman & Managing Director
5	Miss E. Soma Reddy	
6	Miss E. Suha Reddy	

1 Refer Note 61.4 for corporate guarantee provided by companies under common control.

### 61.2 Disclosure of transactions between company and related parties and the status of outstanding balances as on March 31, 2019.

#### A. Transaction during the year

The related party transactions were made on terms equivalent to those that prevail in arm's length transaction.

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Contract Revenue / Other Operational Income</b>						
Hindustan Dorr-Oliver Limited	-	0.69	-	-	-	-
IVRCL Chandrapur Tollways Limited	19.50	105.47	-	-	-	-
IVRCL Chengapally Tollways Limited	5.47	311.91	-	-	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	491.77	319.58
Jalandhar Amritsar Tollways Limited	-	-	-	-	-	-
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	-	-	701.03	991.32	-	-
IVRCL BATPASCO ABB & AAG JV	231.01	-	-	-	-	-
NAVAYUGA IVRCL & SEW JV	-	-	(87.97)	(106.43)	-	-
G.SHANKAR-IVRCL (J.V)	-	-	-	231.29	-	-
IVRCL DRN-INFRA JV	-	-	-	1,985.45	-	-
IVRCL-MCCDL-TCL-DM CONSORTIUM	-	-	486.92	-	-	-
Others	-	-	104.70	1,730.56	-	-
<b>Total</b>	<b>24.97</b>	<b>418.07</b>	<b>1,435.69</b>	<b>4832.19</b>	<b>491.77</b>	<b>319.58</b>
<b>Interest Income</b>						
Jalandhar Amritsar Tollways Limited	43.01	39.82	-	-	-	-
	<b>43.01</b>	<b>39.82</b>	-	-	-	-
<b>Rental Income</b>						
Chennai Water Desalination Limited	0.05	0.60	-	-	-	-
<b>Total</b>	<b>0.05</b>	<b>0.60</b>	-	-	-	-
<b>Hire Charges Income</b>						
Chennai Water Desalination Limited	-	0.37	-	-	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	-	-
<b>Total</b>	-	<b>0.37</b>	-	-	-	-

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Sub-contracting Work Expenses/ Purchase of construction Material</b>						
IVRCL TLT Private Limited	-	1.97	-	-	-	-
IVRCL Chandrapur Tollways Limited	-	23.81	-	-	-	-
Navayuga, IVRCL & SEW Joint Venture	-	-	-	36.90	-	-
IVRCL BATPASCO WIPL & MHI JV	-	-	245.47	452.04	-	-
IVRCL - CR18G (JV)	-	-	-	18.75	-	-
G.SHANKAR-IVRCL (J.V)	-	-	-	213.29	-	-
IVRCL DRN-INFRA JV	-	-	-	1,734.26	-	-
Palladium Infrastructures & Projects Limited	-	-	-	-	-	132.06
Others	-	-	-	83.61	-	-
<b>Total</b>	<b>-</b>	<b>25.78</b>	<b>245.47</b>	<b>2538.85</b>	<b>-</b>	<b>132.06</b>
<b>Sale of Construction Material</b>						
Palladium Infrastructures & Projects Limited	-	-	-	-	1.00	22.30
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.00</b>	<b>22.30</b>
<b>Sale of Assets</b>						
Palladium Infrastructure & Projects Limited	-	-	-	-	36.00	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36.00</b>	
<b>Interest Expense on Mobilisation Advance</b>						
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	-	-	-	-	-	-
IVRCL - CR18G Consortium(JV)	-	-	-	-	-	-
SAPL & MBL - IVRCL (JV)	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provision for doubtful Advances &amp; Debtors</b>						
Hindustan Dorr Oliver Limited	-	(4.54)	-	-	-	-
Others	-	-	-	58.75	-	-
<b>Total</b>	<b>-</b>	<b>(4.54)</b>	<b>-</b>	<b>58.75</b>	<b>-</b>	<b>-</b>
<b>Loans /Advances Given</b>						
RIHIM Developers Private Limited	(144.31)	(144.31)	-	-	-	-
IVRCL Lanka (Private) Limited	(2.93)	(2.82)	-	-	-	-
IVRCL Chengapally Tollways Limited	-	-	-	-	-	-
Kumarpalayam Tollways Limited	-	-	-	-	-	-
Alkor Petroo Limited	1.73	1.73	-	-	-	-
Unity IVRCL	-	-	-	-	-	-
IVRCL SUSHEE CONSORTIUM	-	-	-	-	-	-

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
IVRCL-MCCDL-TCL-DM Consortium	-	-	80.31	(31.61)	-	-
SAPL & MBL - IVRCL (JV)	-	-	-	-	-	-
Others	(18.78)	(24.80)	28.16	14.83	(0.72)	(0.18)
<b>Total</b>	<b>(164.29)</b>	<b>163.71</b>	<b>108.46</b>	<b>(16.78)</b>	<b>(0.72)</b>	<b>(0.18)</b>
<b>Investment in Equity Shares</b>						
IVRCL Chandrapur Tollways Limited	-	-	-	-	-	-
IVRCL Lanka (Private) Limited	-	6.41	-	-	-	-
IVRCL - Navayuga & Sew	-	-	3.40	2.98	-	-
IVRCL,Sew & Prasad	-	-	2.70	15.19	-	-
IVRCL-CR18G (JV) Hyderabad	-	-	-	0.75	-	-
IVRCL - Sushee Joint Venture	-	-	-	(0.03)	-	-
IVRCL – RTE	-	-	-	(0.05)	-	-
IVRCL-KMB-HDO	-	-	-	(0.14)	-	-
IVRCL EPC Limited	-	-	-	-	-	-
Others	-	(3.52)	-	(0.16)	-	-
<b>Total</b>	<b>-</b>	<b>2.89</b>	<b>6.10</b>	<b>18.54</b>	<b>-</b>	<b>-</b>
<b>Mobilisation &amp; Material Advance Received/(Recovered)</b>						
IVRCL Chengapalli Tollways Limited	-	0.67	-	-	-	-
IVRCL Chandrapur Tollways Limited	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>0.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### B. Closing balance as on March 31, 2019

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Loans and advances</b>						
Jalandhar Amritsar Tollways Limited	-	537.60	-	-	-	-
IVRCL TLT Private Limited	422.44	422.44	-	-	-	-
Hindustan Dorr Oliver Limited	261.46	261.46	-	-	-	-
RIHIM Developers Private Limited	-	-	-	-	-	-
IVRCL Lanka (Private) Limited	161.50	161.61	-	-	-	-
Alkor Petroo Limited	-	2,210.22	-	-	-	-
Chennai Water Desalination Limited	-	1,154.10	-	-	-	-
Salem Tollways Limited	-	1,028.22	-	-	-	-
IVRCL Chengapally Tollways Limited	-	581.40	-	-	-	-
Kumarapalayam Tollways Limited	0.84	283.31	-	-	-	-
UAN Raju IVRCL Construction JV	-	-	112.70	112.72	-	-
UNITY – IVRCL Joint Venture	-	-	386.69	386.73	-	-

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
IVRCL International Infrastructures & Projects LLC	-	-	-	-	26.21	26.75
SAPL & MBL - IVRCL (JV)	-	-	99.50	87.83	-	-
IVRCL Building products limited	-	283.67	-	-	-	-
IVRCL Indore gujrat tollways	-	-	-	-	-	35.48
Others	398.45	392.59	335.05	221.46	-	-
<b>Total</b>	<b>1,244.69</b>	<b>7,316.62</b>	<b>933.94</b>	<b>808.74</b>	<b>26.21</b>	<b>62.23</b>
<b>Other Payables (Advances Payable)</b>						
Kumarapalyam Tollways Limited	-	-	-	-	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	146.09	639.56
IVRCL Narnual Bhiwani Tollways Limited	0.09	0.09	-	-	-	-
HDO Technologies Limited	-	-	-	-	-	-
First STP Private Limited	5.41	5.41	-	-	-	-
IVRCL Chengapalli Tollways Limited	30.33	30.86	-	-	-	-
IVRCL JL JV	-	-	0.25	0.25	-	-
IVRCL – KBL (JV) Hyderabad	-	-	27.82	59.57	-	-
IVRCL – KBL – MEIL (JV) Hyderabad	-	-	140.72	185.22	-	-
IVRCL BATPASCO WIPL & MHI JV	-	-	24.49	75.54	-	-
IVRCL SEW & WIPL JV	-	-	16.29	31.29	-	-
IVRCL MBL JV	-	-	-	11.70	-	-
IVRCL-MRT(JV)	-	-	12.41	37.30	-	-
IVRCL-MCCDL-TCL-DM CONSORTIUM	-	-	-	50.03	-	-
Others	124.74	127.79	27.46	26.72	-	-
<b>Total</b>	<b>160.57</b>	<b>164.15</b>	<b>249.44</b>	<b>477.62</b>	<b>146.09</b>	<b>639.56</b>
<b>Trade Payables for Construction Expenses</b>						
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
IVRCL TLT Private Limited	129.08	132.35	-	-	-	-
Hindustan Dorr Oliver Limited	-	-	-	-	-	-
SPB Developers Private Limited	367.32	367.32	-	-	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	-	-
IvrcI Chandrapur Tollways Limited.	67.44	67.44	-	-	-	-
Palladium Infrastructures & Projects Limited	-	-	-	-	82.40	95.19
IVRCL, SEW & Prasad Hyderabad J.V	-	-	94.56	94.56	-	-
IVRCL – KBL – MEIL (JV) Hyderabad	-	-	77.55	76.43	-	-
MEIL IVRCL HCC & WPIL (JV)	-	-	80.14	80.14	-	-
IVRCL -G SHANKAR (JV).	-	-	179.45	179.45	-	-
IVRCL DRN-INFRA JV	-	-	323.98	323.98	-	-

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Others	-	-	251.39	279.40	2.59	2.29
<b>Total</b>	<b>563.84</b>	<b>567.11</b>	<b>1,007.07</b>	<b>1,033.96</b>	<b>84.99</b>	<b>97.48</b>
<b>Provision for Doubtful Advances and Debtors</b>						
Bhanu IVRCL Associates	-	-	32.12	32.12	-	-
SPCL - IVRCL JV	-	-	30.49	30.49	-	-
UAN Raju IVRCL Construction JV	-	-	112.72	112.72	-	-
IVRCL – Harsha (JV)	-	-	35.74	35.74	-	-
IVRCL Tantia Joint Venture	-	-	0.62	0.62	-	-
IVRCL Goa Tollways Limited	-	-	-	-	-	-
IVRCL Multi Level Car Parking Pvt Limited	-	-	-	-	-	-
Hindustan Dorr-Oliver Limited	617.97	617.97	-	-	-	-
<b>Total</b>	<b>617.97</b>	<b>617.97</b>	<b>211.69</b>	<b>211.69</b>	<b>-</b>	<b>-</b>
<b>Trade Receivables, Retention Money (with BG Encashment) and other deposits</b>						
Hindustan Dorr-Oliver Limited	356.53	356.51	-	-	-	-
IVRCL-CadaguaHogenakkal Water Treatment Company Private Limited	105.83	79.13	-	-	-	-
IVRCL Patiala Bathinda Tollways Limited	158.60	158.60	-	-	-	-
IvrcI Chengapally Tollways Limited	82.10	54.15	-	-	-	-
IVRCL, SEW & Prasad Hyderabad J.V	-	-	677.04	708.85	-	-
IVRCL, Navayuga& SEW Joint Venture	-	-	319.09	306.93	-	-
Navayuga, IVRCL & SEW J.V	-	-	2.54	6.75	-	-
IVRCL BATPASCO ABB & AAG (JV) Hyderabad	-	-	361.07	308.09	-	-
CR18G - IVRCL (JV)	-	-	315.39	315.39	-	-
IVRCL - KBL - MEIL (JV) Hyderabad	-	-	85.00	97.50	-	-
IVRCL – KBL (JV) Hyderabad	-	-	132.40	162.71	-	-
IVRCL JL JV	-	-	54.73	54.73	-	-
KMB - IVRCL JOINT VENTURE	-	-	871.78	871.78	-	-
IVRCL - CR18G Consortium (J.V)	-	-	211.95	187.60	-	-
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	-	-	360.77	405.65	-	-
MEIL IVRCL HCC & WPIL (JV)	-	-	101.40	101.40	-	-
IVRCL -G SHANKAR (JV).	-	-	215.38	215.38	-	-
IVRCL DRN-INFRA JV	-	-	344.73	344.73	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	195.73	570.42
Others	84.70	84.05	1,150.82	855.38	-	-
<b>Total</b>	<b>787.76</b>	<b>732.44</b>	<b>5,204.09</b>	<b>4942.87</b>	<b>195.73</b>	<b>570.42</b>



## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Mobilisation &amp; Material Advance Received</b>						
SPB Developers Private Limited	193.93	193.93	-	-	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	-	208.29
IVRCL Chengapalli Tollways Limited	0.67	0.67	-	-	-	-
IVRCL Chandrapur Tollways Limited	4.20	4.20	-	-	-	-
IVRCL CR18G CONSORTIUM	-	-	17.13	17.13	-	-
SAPL & MBL – IVRCL (JV)	-	-	72.18	72.18	-	-
Others	-	-	0.40	0.40	-	-
<b>Total</b>	<b>198.80</b>	<b>198.80</b>	<b>89.71</b>	<b>89.71</b>	<b>-</b>	<b>208.29</b>
<b>Rent Deposit Given</b>						
Palladium Infrastructures & Projects Limited	-	-	-	-	1.38	1.38
Indus Palms Hotels & Resorts Limited	-	-	-	-	2.64	2.64
A.P. Enercon Engineers Private Limited	-	-	-	-	2.58	2.58
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.60</b>	<b>6.60</b>

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Loans /Advances(Long Term Loans Given)</b>						
Alkor Petro Limited	2,210.22	2,210.22	-	-	-	-
Jalandhar Amritsar Tollways Limited	939.80	537.60	-	-	-	-
IVRCL Indore Gujarat Tollways	-	-	-	-	35.48	35.48
Chennai Water Desalination Limited	1,154.09	1,154.09	-	-	-	-
IVRCL Building Products Limited	283.67	283.67	-	-	-	-
Salem Tollways Limited	1,028.22	1,028.22	-	-	-	-
IVRCL Chengapally Tollways Limited	580.61	580.61	-	-	-	-
<b>Total</b>	<b>6,196.61</b>	<b>5,794.41</b>	<b>-</b>	<b>-</b>	<b>35.48</b>	<b>35.48</b>
<b>Corporate Guarantee</b>						
Hindustan Dorr-Oliver Limited*	10,927.80	15,796.52	-	-	-	-
Alkor Petroo Limited	680.81	682.96	-	-	-	-
HDO Technologies Limited*	2,115.08	2115.08	-	-	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	17,288.28	19,234.00
IVRCL Chengapally Tollways Limited	1,250.00	1,250.00	-	-	-	-
Jalandhar Amritsar Tollways Limited*	1,417.02	1,316.12	-	-	-	-
IVRCL Lanka (Private) Limited	4,627.00	403.99	-	-	-	-
Sushee IVRCL Arunachal Highways Limited*	-	-	-	-	-	15,603.00
<b>Total</b>	<b>21,017.71</b>	<b>21,564.67</b>	<b>-</b>	<b>-</b>	<b>17,288.28</b>	<b>34,837.00</b>

\* Corporate guarantee figures subject to reconciliation and confirmation from the lenders and are based on outstanding book balance of the borrower Company as per unaudited financial statements.

# Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 6.1.3 Transactions with Key Management Personnel / Relatives

Key Management Personnel/ Relatives	Designation	Remuneration#		Office Rent		Rent Deposit		Receivable		Payable	
		As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
1. Mr. E. Sudhir Reddy	Chairman & Managing director	-	6.23	2.47	3.00	0.5	0.5	-	4.15	16.71	16.71
2. Mr. K. Ashok Reddy	Joint Managing Director	-	0.81	-	-	-	-	-	2.43	-	2.43
3. Mr. R. Balarami Reddy	CFO	5.43	1.23	-	-	-	-	-	0.25	-	-
4. Mr. B. Subrahmanyam	Company Secretary	2.27	1.98	-	-	-	-	-	-	-	-
5. Relatives		-	-	3.89	6.38	1.44	1.44	-	-	-	-
<b>Total</b>		<b>7.70</b>	<b>10.25</b>	<b>2.16</b>	<b>9.38</b>	<b>1.94</b>	<b>1.94</b>	<b>-</b>	<b>6.83</b>	<b>16.71</b>	<b>19.14</b>

# The above figure does not include expense towards post employment benefit valued by an actuary, as separate figures are not available.

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



**61.4** These Companies have provided/agreed to provide corporate guarantee to the lenders of the Company (i.e. IVRCL Limited) to the extent of all amounts payable to CDR lenders, the monitoring institutions and the security trustee under the Master Restructuring Agreement (MRA) pursuant to scheme of CDR. During the year, the arrangement of CDR/SDR has failed even though, the guarantees are continued alive.

**61.5** Disclosure as per regulation 34(3) and 53(f) of the listing obligation and Disclosure Requirement

	Balance as at		Maximum balance Outstanding	
	March 31, 2019	March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Ivrcl Building Product Limited	283.67	283.67	283.67	301.16
Alkor Petroo Limited	2,210.22	2,210.22	2,210.22	2,210.22
Salem Tollways Limited	1028.22	1028.22	1,028.22	1,028.22
Kumarapalayam Tollways Limited	282.64	282.64	282.64	282.64
Jalandhar Amritsar Tollways Limited	939.80	537.60	939.80	624.78
Chennai Water Desalination Limited	1,154.09	1,154.09	1,154.09	1,154.09
Ivrcl Chengapally Tollways Limited	581.40	581.40	581.40	581.40
Ivrcl Indore Gujarat Tollways Limited	35.48	35.48	35.48	38.23
<b>Total</b>	<b>6,515.52</b>	<b>6,113.32</b>	<b>6,515.52</b>	<b>6,220.74</b>

### 62. Segment Reporting

#### a) Business segment:

The Company has considered "Engineering & Construction" as one business segment for disclosure in the context of Indian Accounting Standard 108 "Operating Segment". The Company is engaged in the business of Engineering & Construction segment only for the period under report.

#### b) Geographical Segment:

During the period under report, the Company has engaged in its business primarily within india. The conditions prevailing in india being uniform, no seprate geographical disclosure is considered necessary.

### 63. Joint Arrangements (JV)

	As at March 31 2019	As at March 31 2018
<b>Summarised balance sheet</b>		
Total assets	6,551.67	6,314.19
Total liabilities	6,042.76	5,822.82
Equity	508.91	491.37

	Year ended March 31, 2019	Year ended March 31, 2018
<b>Summarised statement of profit and loss</b>		
Revenue	4,475.95	7,993.07
Other income	11.78	76.35
Total expense (including taxes)	4452.14	8,007.47

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



64. The following investments in equity/preference shares have been pledged in respect of loans taken by the company and its subsidiaries and associates:

S. No.	Name of the company	No. of shares as at March 31, 2019	No. of shares as at March 31, 2018	Pledged in favour of
1	IVRCL Indore Gujarat Tollways Limited	13,075,395	13,075,395	IDBI Trusteeship Services Limited
		16,364,031	16,364,031	IFCI Fianancial Services Limited
2	IVRCL Chengapalli Tollways Limited	11,094,673	11,094,673	IDBI Trusteeship Services Limited
		10,659,587	10,659,587	IFCI Fianancial Services Limited
3	IVRCL Chandrapur Tollways Limited	13,705,230	13,705,230	IDBI Trusteeship Services Limited
		5,796,580	5,796,580	SBICAP Trustee Company Limited
		5,127,870	5,127,870	Indusind Bank
4	Jalandhra Amritsar Tollways Limited	4,560,000	4,560,000	Canara Bank
		31,654,527	31,654,527	SBICAP Trustee Company Limited
5	Salem Tollways Limited	26,164,612	26,164,612	IDBI Trusteeship Services Limited
		15,237,039	15,237,039	TATA Capital Financial Services Limited
		5,000,000	5,000,000	SBICAP Trustee Company Limited
( Preferential Shares face Value of Rs.100/-)				
6	Kumarapalayam Tollways Limited	19,161,516	19,161,516	IDBI Trusteeship Services Limited
		11,158,765	11,158,765	TATA Capital Financial Services Limited
7	Chennai Water Desalination Limited	66,166,080	66,166,080	Canara bank
		25,947,482	25,947,482	Indusindbank
8	SPB Developers Private Limited*	14,079,060	14,079,060	Andhra bank
		8,281,800	8,281,800	ICICI Bank
9	lot Utkal Energy Services Limited	36,750,000	36,750,000	IDBI Trusteeship Services Limited
		60,250,000	60,250,000	SBICAP Trustee Company Limited
10	Hindustan Dorr-Oliver Limited	21,155,306	21,155,306	Bank of India
11	Sushee - IVRCL Arunachal Highways Limited	24,687,000	24,687,000	Sushee Infra Private Limited
		6,630	6,630	IDBI Trusteeship Services Limited
12	IVRCL PSC Pipes Private Limited2	167,000	167,000	SBICAP Trustee Company Limited
13	IVR Enviro Projects Private Limited2	2,924,550	2,924,550	SBICAP Trustee Company Limited
14	IVRCL Steel Construction & Services Limited2	50,000	50,000	
	SBICAP Trustee Company Limited			
15	IVRCL-Cadagua Hogenakkal Water Treatment Company Pvt Limited	6,000	6,000	SBICAP Trustee Company Limited
16	IVRCL Building Products Limited	599,995	599,995	SBICAP Trustee Company Limited
17	Saptashva Solar Limited	52,100	52,100	SBICAP Trustee Company Limited
18	IVRCL TLT Private Limited2	10,000	10,000	SBICAP Trustee Company Limited

## Notes to Standalone Financial Statements

All amounts are ₹ In Million unless otherwise stated



S. No.	Name of the company	No. of shares as at March 31, 2019	No. of shares as at March 31, 2018	Pledged in favour of
19	IVRCL Raipur - Bilaspur Tollways Limited <sup>2</sup>	49,990	49,990	SBICAP Trustee Company Limited
20	IVRCL Narnual Bhiwani Tollways Limited	49,990	49,990	SBICAP Trustee Company Limited
21	First STP Private Limited	2,850,000	2,850,000	SBICAP Trustee Company Limited
22	IVRCL Gundugolanu Rajahmundry Tollways Limited	49,900	49,900	SBICAP Trustee Company Limited
23	IVRCL Patiala Bathinda Tollways Limited	49,900	49,900	SBICAP Trustee Company Limited
24	IVR Prime Developers (Tambaram) Private Limited <sup>2</sup>	10,000	10,000	SBICAP Trustee Company Limited
25	RIHIM Developers Private Limited	10,000	10,000	SBICAP Trustee Company Limited

### 65. Standalone financial statements include:

- Financial Statement of 3 joint ventures included in standalone financial statement, whose financial result reflects the company's share in net profit of joint venture aggregating to Rs 61.76 lakhs for the year ended March 31, 2019. 29 joint ventures were not considered in standalone financial statement. In our opinion the Management, these financial statement, in aggregate, are not material to the Company.
- the unaudited financial results of a branch Kingdom of Saudi Arabia included in the standalone financial statements of the Company whose financial statements/financial information reflects total assets of ₹ 0.01 million as at March 31, 2019 and total revenue is Nil for the year ended on that date.

During the previous year, Managerial Remuneration paid to one of the Director was in excess of the minimum remuneration allowable under the Companies Act, 2013. Accordingly, an amount of Rs 3.76 million has been accounted as due from him for the year ending March 31, 2018 and the same was recovered during the year.

In absence of the Board of Directors, the RP is approving these statements for the purposes of compliance with the provisions of the Companies Act, 2013 and on the basis of representation by the key managerial personnel (KMP) of the Company and others regarding authenticity or veracity of the information provided in the financial statements. Approval of the RP and affixing of signature on these statements by the RP should not be construed as endorsement or certification by the RP of any facts or figures provided herein.

In terms of our report attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Partner

Membership No. 091239

Date : May 30, 2019

Place : Hyderabad

**For IVRCL Limited**

**SUTANU SINHA**

Resolution Professional

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

**B. SUBRAHMANYAM**

Company Secretary

**R. BALARAMI REDDY**

Chief Financial Officer

# INDEPENDENT AUDITORS' REPORT

## Independent Auditors' Report

To the Members of IVRCL Limited

### Disclaimer of Opinion

We have audited the accompanying Consolidated financial statements of IVRCL LIMITED ("the Holding Company or the Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the group"), its associates and joint controlled entities which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Consolidated other comprehensive income), and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

We do not express an opinion on the accompanying consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

### Basis for Disclaimer of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We refer to following notes to Consolidated financial statements:

- (i) In notes to the consolidated financial results in respect of IVRCL Limited (Holding Company):
  - a. Note 45 to the statement, in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. During the year, the holding company has incurred a Net Loss of ₹ 15,452.08 million resulting into accumulated losses of ₹ 57,217.03 million and erosion of its Net worth as at March 31, 2019. The Company has obligations towards fund based borrowings (including interest) aggregating to ₹ 92,580.77 million as per books of accounts and non-fund based exposure aggregating to ₹ 8,870.28 million, operational creditors and statutory dues, subject to reconciliation/verification as stated in note 3.1(f) below, that have been demanded/recalled by the financial/operating creditors pursuant to ongoing Liquidation process as going concern, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2019. The holding company's ability to continue as going concern is depend upon many factors including continued support from the financial creditors, operational creditors and

submission of viable revival plan by the prospective investor/bidder. As the Hon'ble National Company law Tribunal, Hyderabad ("NCLT") has passed the order for liquidation as a "going concern", in the opinion of the management, the holding company will continue its operations and the above results have been prepared on the basis that the holding company is Going Concern.

- b. Note 46 to the statement in respect of recognition of deferred tax asset on account of carry forward unused tax losses and other taxable temporary differences aggregating to ₹ 9,570.59 Million. As the holding company is a going concern by virtue of NCLT order dated 26th July 2019 and based on unexecuted orders in hand, the management of the holding company is confident that sufficient future taxable income will be available against which such deferred tax asset will be realized. However, in our opinion, in absence of convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, such recognition is not in accordance with Indian Accounting Standard 12 "Income Taxes" (Ind AS 12). Had the aforesaid deferred tax assets not been recognised, loss after tax for the year ended on March 31, 2019 would have been higher by ₹ 9,570.59 Million and other equity would have been lower by ₹ 9,570.59 Million.
- c. Note 47 to the statement in connection with the existence of material uncertainties over the realisability of bank guarantees encashed by customers on account of certain trade receivables, unbilled revenue, security deposit, withheld, claims of indirect taxes and other deposits including bank guarantees encashed by customers aggregating to ₹ 27,000.76 Million which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / fore closure of contracts and other disputes. The management of Company is confident of positive outcome of litigation/ resolution of dispute and recovering the aforesaid dues. Performance Bank Guarantee invoked during the year ended March 31, 2019 and CIRP period amounting to ₹ 1,732.28 Million have been provided for in the profit and loss account under the head "Exceptional Item". However, the management is in the process of initiating arbitration/other legal action for such invocations. Had the aforesaid assets been provided for impairment, loss after tax for the year ended on March 31, 2019 would have been higher by ₹ 27,000.76 Million, other equity would have been lower by ₹ 27,000.76 Million
- d. Note 49 to the consolidated financial results, in respect of advances of ₹ 1,050.92 Million as at March 31, 2019 given to associate, net receivable against development rights, various sub-contractors, vendors and other parties that are outstanding for long period. The management of the Company is at various stages of negotiation/communication/arbitration with respective contractee/clients/ sub-contractors/vendors to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss-making subsidiary Companies. As the company is a going concern by virtue of NCLT order dated 26th July

## INDEPENDENT AUDITORS' REPORT

2019 and accordingly, no provision has been considered necessary by the management in respect of impairment in the value of loans and advances. Had the aforesaid assets been provided for impairment, loss after tax for the year ended on March 31, 2019 would have been higher by ₹ 1,050.92 Million, other equity would have been lower by ₹ 1,050.92 Million.

- e. Note 50 to the statement in respect of various claims submitted by the operational creditors, the financial creditors, employees, statutory authorities and other creditors against the Company including the claims on Company's subsidiaries. The Liquidation process which commenced on 26th July 2019 also allows fresh claims/ updated claims submitted during CIPR Period. Some of these claims are under further verification/ validation and the same may be updated as per any additional information which may be received in future. Hence there are differences between the liabilities admitted vis-a-vis balance as per books of account. Pending reconciliation/admission of such claims by the Liquidator, we are unable to comment on the consequential impact, if any, on the accompanying statement;
- f. Note 51 of the statement in respect of non-availability of confirmations of banks balances, bank borrowings and for various trade receivables including retention, loans and advances, trade payables as at March 31, 2019. Though, the management has requested for the confirmation of balances and the status is still continued. The Management believes that no material adjustments would be required in books of account upon receipt of these confirmations. In absence of alternative corroborative evidence, we unable to comment on the extent to which such balances are recoverable.
- g. Note 52 of the statement in respect of non-availability of physical verification for fixed assets aggregating to ₹1,518.27 Million (net block as on March 31, 2019) and inventory aggregating to ₹ 405.18 Million could not be carried out at certain locations including project site that are terminated/ foreclosed/ having slow progress and the status is still continued. The Management believe that no item of fixed assets and inventory has a net realizable value in the ordinary course of business which is less than the amount at which it is included in the fixed assets and inventories. Accordingly, no provision is required in respect of such fixed assets and inventories. In absence of any alternative corroborative evidence, we are unable to comment on the recoverability of the same.
- h. Note 53 of the statement in respect of various input credits and balances with various statutory authorities pertaining to service tax, VAT, sales tax etc. aggregating to ₹ 2,120.56 Million as at March 31, 2019. The recovery of these amounts is subject to reconciliation, filing of returns and admission by respective statutory authorities and the status is still continued. No adjustments have been made in the books of accounts in respect of such amounts., we are unable to comment whether any provision for impairment in the value of advances is required.

- (ii) In Note 58 (t) to the consolidated financial results in respect of Salem Tollways Limited (a subsidiary company) wherein the other auditors had stated in their report:
- a. In respect of non-provisioning for interest payable to National Highway Authority of India (NHAI) on negative variances amounting of ₹ 30.20 Million. This has resulted in understatement of loss for the year by ₹ 30.20 Million and understatement of current financial liabilities by the same amount.
- b. In respect of not testing the status of company's vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, resulting in non-compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.
- c. In respect of vacancy of Company Secretary and Chief Financial Officer during the year which is in contravention of the requirements of section 203 of the Companies Act, 2013 and the company has not appointed internal auditor during the year which is in contravention of the requirements of section 138 of the Companies Act, 2013.
- (iii) In Note 58 (h) to the consolidated financial results in respect of Kumarapalayam Tollways Limited (a subsidiary company) wherein the other auditors had stated in their report:
- a. In respect of preparation of financial statement of the Company on going concern basis for the reasons stated therein, during the year, the company has incurred a net loss of ₹ 671.20 Million and accumulated losses of ₹ 1,505.60 Million as at March 31, 2019 thus there is erosion of its net worth. The Company has obligations towards fund-based borrowings aggregating to ₹ 2,980.10 Million and other obligations pertaining to operations including unpaid creditors and statutory dues amounting of ₹ 1,317.90 Million as at March 31, 2019 and contingent liabilities amounting of ₹ 335.20 Million which has not been considered by the company as ascertained liabilities. These conditions indicate existence of material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore the company be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on financial statements.
- b. In respect of vacancy of Company Secretary and Chief Financial Officer during the year which is in contravention of the requirements of section 203 of the Companies Act, 2013 and the company has not appointed internal auditor during the year which is in contravention of the requirements of section 138 of the Companies Act, 2013.



## INDEPENDENT AUDITORS' REPORT



- c. In respect of non-provisioning for the annual resurfacing of road for the year March 31, 2017, March 31, 2018 & March 31, 2019 total amounting of ₹ 311.30 Million as per estimation by the management. Due to this the profit is overstated and current liability of the company is understated to the amount of ₹ 311.30 Million.
- d. In respect of non-provisioning for interest payable to National Highway Authority of India (NHAI) on Negative variance amounting of ₹ 23.90 Million. Due to this the profit is overstated and current liability of the company is understated to the amount of ₹ 23.90 Million.
- e. In respect of not testing the status of company's vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, resulting in non-compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.
- (iv) In Note 58 (g) to the consolidated financial results in respect of Jalandhar Amritsar Tollways Limited, (a Subsidiary Company) wherein the other auditors had stated in their report:
- a. In respect preparation of financial results of the Company on going concern basis for the reasons stated therein, during the year, the company has incurred a net loss of ₹ 987.70 Million with accumulated losses of ₹ 1,234.50 Million as at March 31, 2019 and thus there is erosion of its net worth. The company has obligations towards fund based borrowings aggregating to ₹ 1,324.00 Million, negative grant to NHAI due after one year amounting of ₹ 553.60 Million and due within one year amounting of ₹ 1,190.00 Million and other obligations pertaining to operations including unpaid creditors and statutory dues amounting of ₹ 1,364.50 Million as at March 31, 2019 and contingent liabilities amounting of ₹ 904.50 Million which has not been considered by the company as ascertained liabilities. Net receivables from holding company amounting of ₹ 7.00 Million. These advances, having regard to financial position of its holding company and age of such advances, in opinion of statutory auditor of the subsidiary company, are doubtful of recovery. These conditions indicate existence of material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on financial statements.
- b. In respect of vacancy of office of whole time Key Managerial Personnel is not filled by the Board at a meeting of Board of directors within 6 months from the date of vacancy as per sub section 4 of section 203 of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- c. In respect of non-provision for annual resurfacing of road for the year March 31, 2017, March 31, 2018 & March 31, 2019 total amounting of ₹ 359.50 Million as per estimation by the management. Due to this the loss and current liability of the company is understated to the amount of ₹ 359.50 Million.
- d. In respect of non-provision for the income tax liability amounting of ₹ 545.00 Million. Due to this the loss and current liability of the company is understated to the amount of ₹ 545.00 Million.
- e. In respect Original bill in respect of diesel expense amounting of ₹ 1.40 Million were not produced before statutory auditor of the subsidiary company. In absence of alternative corroborative evidence, statutory auditor of the subsidiary company unable to comment on the extent of which such expenses incurred.
- f. In respect of not testing the status of its vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, to compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.
- g. In respect of non-availability of confirmations of balances of cash with IDFC for ETC toll collection aggregation to ₹ 7.90 Million. In absence of alternative corroborative evidence, statutory auditor of the subsidiary company unable to comment on the extent of which such balances are recoverable.
- (v) In Note 58 (e) to the financial results in respect of IVRCL Chengapalli Tollways Limited, (a Subsidiary Company) wherein the other auditors had stated in their report:
- a. The vacancy of Company Secretary and Chief Financial Officer during the year which is in contravention of the requirements of section 203 of the Companies Act, 2013.
- b. In respect of not testing the status of its vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, to compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.
- (vi) In Note 58 (c) to the financial results in respect of IVRCL Chandrapur Tollways Limited, (a Subsidiary Company) wherein the other auditors had stated in their report:
- a. In respect preparation of financial results of the Company on going concern basis for the reasons



## INDEPENDENT AUDITORS' REPORT



stated therein, during the year, the company has incurred loss of ₹283.60 Million with accumulated losses of ₹ 688.60 Million as at March 31, 2019 and thus there is erosion of its net worth. The company has obligations towards fund-based borrowings. These conditions indicate existence of material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on financial statements.

- b. In respect of vacancy of office of Whole time key managerial personnel is not filled by the board at a meeting of Board of directors within six months from the date of vacancy as per sub section 4 of section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014. Company has not appointed any Chief Financial Officer, Chief Executive officer which is required as per Companies Act, 2013.
  - c. In respect of non-provisioning for annual resurfacing of road for the year March 31, 2017, March 31, 2018 & March 31, 2019. Due to this, the loss and current liability of the company is understated. No working or calculation is produced before statutory auditor of the subsidiary company.
  - d. In respect of violations of Schedule S Clause 3 'Deposit into Escrow Account' Sub Clause 3.1 & 3.2 Clause 4 'Withdraw from Escrow Account' Sub Clause 4.1.1 of the Concession Agreement. Daily Toll Collection, Capital Grant Received from PWD, Toll Compensation received from PWD is deposited into NON-ESCROW ACCOUNT Similarly land lease rent is paid from NON ESCROW ACCOUNT.
  - e. In respect of non-booking of Land lease rent expenses amounting ₹ 0.20 Million which pertains to Financial year 2016-17 and 2017-18. Due to this the loss is overstated to the amount ₹ 0.20 Million.
  - f. In respect of non-testing the status of its vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, to compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.
- (vii) In respect of IVRCL Raipur Bilaspur Tollways Limited, (a Subsidiary Company) wherein the other auditors had stated in their report:
- a. In respect of not providing sufficient and convincing evidence by the management regarding recoverability of an amount of ₹ 1,216.00 Million accounted as receivable from NHAI, which are outstanding for more than three years. In opinion of statutory auditor of subsidiary company, is doubtful of recovery and should be provided for.
- (viii) In Note 58 (a) to the financial results in respect of IVRCL TLT Private Limited, (a Subsidiary Company) wherein the other auditors had stated in their report:
- a. In respect preparation of financial results of the Company on going concern basis for the reasons stated therein, accumulated losses of the Company as at March 31, 2019 amounting to ₹ 165.43 Million have exceeded its net worth and the Company's current liabilities exceed current assets. These facts along with other matters set forth in notes indicate that there exists material uncertainty that may cast significant doubt on the company's ability to continue as a Going Concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. Accordingly, we are unable to comment on the consequential impact, if any, on the financial statements.
  - b. In respect of recognition of deferred tax assets on account of carried forward unused tax losses and other taxable temporary differences aggregating to ₹ 8.32 Million. In our opinion, sufficient future taxable income may not be available against which such deferred tax assets can be realized and such recognition is not in accordance with Indian Accounting Standard 12 "Income Taxes" (Ind AS 12). Had the aforesaid deferred tax assets not been recognized, Profit after tax for the year ended on March 31, 2019 would have been lower by ₹ 8.32 Million and other equity would have been lower by ₹ 8.32 Million.
  - c. In respect of non-provision by the management for loss allowance in respect of claim of Value Added Tax Refund amounting to ₹ 32.98 Million pending for settlement since long for the reason stated therein. Had the loss allowance in respect of such claim been recognized, the profit after tax would have been lower by ₹ 32.98 Million and total assets and net worth would have been lower by ₹ 32.98 Million each.
  - d. In respect of non-moving trade stock of ₹ 18.21 Million held since long for the reason stated therein by the management. Had the loss allowance in respect of such stock been recognized, the profit after tax would have been lower by ₹ 18.21 Million and total assets and net worth would have been lower by ₹ 18.21 Million each.
  - e. In respect of non-provision of loss allowance by the management in respect of trade receivable aggregating to ₹ 179.20 Million outstanding since long for the reason stated therein. Had the loss allowance in respect of such receivables been

## INDEPENDENT AUDITORS' REPORT



recognized, the profit after tax would have been lower by ₹ 179.20 Million and total assets and net worth would have been lower by ₹ 179.20 Million each.

- f. In respect of Corporate guarantee extended by the company in favor of security trustee of the CDR Lenders of the holding company. A lender of the Holding Company has filed insolvency and bankruptcy petition against the holding Company for initiation of insolvency resolution process that has been admitted by the Hon'ble Company Law Tribunal, Hyderabad ("NCLT") vide its order dated February 23, 2018. Subsequent to year end, the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed Attendance-Cum-Order Sheet of the hearing held on July 26, 2019 read with corrigendum order issued on July 31, 2019 for Liquidation of M/s IVRCL Limited. At present, the loss allowance in respect of this guarantee is indeterminable; accordingly, we are unable to comment on the consequential impact, if any, on the financial statements.
- g. In respect of non-availability of external confirmations in respect of trade receivables and advances recoverable and no provision by the management for loss allowance/expected credit loss in this regard has been made for the reason stated therein. We are unable to quantify the impact, if any, arising on receipt of the confirmations.
- (ix) In Note 58 (i) to the consolidated financial results in respect of Absorption Aircon Engineers Private Limited, (a step down Subsidiary Company) wherein the other auditors had stated in their report with respect to preparation of financial results of the company on going concern basis for the reasons stated therein, where the management's assessment and assumption of revival of the ultimate holding company ("IVRCL Limited") in the foreseeable future under the Corporate Insolvency Revival Process, and to get financial support to the company to continue its operations indicates, the material uncertainty that may cast doubt on the company's ability to continue as going concern.
- (x) In Note 58(j) to the consolidated financial Statements in respect of IVR Prime Developers (Amalapuram) Private Limited, (a step down Subsidiary Company) wherein the other auditors had stated in their report with respect to preparation of financial Statements of the company on going concern basis for the reasons stated therein, where the management's assessment and assumption of revival of the ultimate holding company ("IVRCL Limited") in the foreseeable future under the Corporate Insolvency Revival Process, and to get financial support to the company to continue its operations indicates, the material uncertainty that may cast doubt on the company's ability to continue as going concern.
- (xi) In Note 58(k) to the consolidated financial Statements in respect of Bibinagar Developers Private Limited, (a step down Subsidiary Company) wherein the other auditors had stated in their report with respect to preparation of financial Statements of the company on going concern basis for the reasons stated therein, where the management's assessment and assumption of revival of the ultimate holding company ("IVRCL Limited") in the foreseeable future under the Corporate Insolvency Revival Process, and to get financial support to the company to continue its operations indicates, the material uncertainty that may cast doubt on the company's ability to continue as going concern.
- (xii) In Note 58(l) to the consolidated financial Statements in respect of IVR Prime Developers (Guntur) Private Limited, (a step down Subsidiary Company) wherein the other auditors had stated in their report with respect to preparation of financial Statements of the company on going concern basis for the reasons stated therein, where the management's assessment and assumption of revival of the ultimate holding company ("IVRCL Limited") in the foreseeable future under the Corporate Insolvency Revival Process, and to get financial support to the company to continue its operations indicates, the material uncertainty that may cast doubt on the company's ability to continue as going concern.
- (xiii) In Note 58(m) to the consolidated financial Statements in respect of Mummidi Developers Private Limited, (a step down Subsidiary Company) wherein the other auditors had stated in their report with respect to preparation of financial Statements of the company on going concern basis for the reasons stated therein, where the management's assessment and assumption of revival of the ultimate holding company ("IVRCL Limited") in the foreseeable future under the Corporate Insolvency Revival Process, and to get financial support to the company to continue its operations indicates, the material uncertainty that may cast doubt on the company's ability to continue as going concern.
- (xiv) In Note 58(n) to the consolidated financial Statements in respect of Samatteri Developers Private Limited, (a step down Subsidiary Company) wherein the other auditors had stated in their report with respect to preparation of financial Statements of the company on going concern basis for the reasons stated therein, where the management's assessment and assumption of revival of the ultimate holding company ("IVRCL Limited") in the foreseeable future under the Corporate Insolvency Revival Process, and to get financial support to the company to continue its operations indicates, the material uncertainty that may cast doubt on the company's ability to continue as going concern.
- (xv) In Note 58(o) to the consolidated financial Statements in respect of Solar Energy Private Limited, (a step down Subsidiary Company) wherein the other auditors had stated in their report with respect to preparation of financial Statements of the company on going concern basis for the reasons stated therein, where the management's assessment and assumption of revival of the ultimate holding company ("IVRCL Limited") in the foreseeable future under the Corporate Insolvency Revival Process, and to get financial support

## INDEPENDENT AUDITORS' REPORT

to the company to continue its operations indicates, the material uncertainty that may cast doubt on the company's ability to continue as going concern.

- (xvi) In Consolidation of financial statements, there are 4 subsidiaries have been consolidated on the basis of management account and audit has not been conducted by their respective auditors which reflects net assets of ₹1,116.72 Million as at March 31, 2019, total revenues of ₹1,799.11 Million and net cash flows amounting to ₹ 111.85 Million for the year ended on that date. In our opinion and according to the information and explanations given to us by the Management, these financial Statements /financials information, in aggregate, are material to the Group and have not been subjected to audit hence we are unable to comment on the consequential impact, if any, on the consolidated financial Statements. (Refer Appendix-1)

### Emphasis of matters

- i. The following emphasis of matter included in the audit report issued by us on consolidated financial statement which are relevant to our opinion on the consolidated financial Statements of the group and reproduced by us as auditor;

- a. During the financial year 2017-18, the holding company has received a Show Cause Notice U/s 279 (1) of the IT Act 1961 for initiation of prosecution proceedings U/s 276 (B) of the IT Act 1961 for failure to deposit the deducted Tax at Source within due date in Central Government Account for financial year 2016-17 & 2017-18 for the amount of ₹ 103.40 Million and ₹ 189.12 Million respectively.

In respect of the above, IT department has also sent notices U/s 226 (3) of the IT Act 1961 to certain banks and customers of the company demanding the recovery of aforesaid arrears.

The Resolution Professional has communicated to the IT department about the ongoing CIRP and requested the IT department to withdraw the aforesaid notice and not to proceed with any further actions against the company in this regard. Subsequently, application under Section 60(5) of the Insolvency and Bankruptcy Code 2016 has been filed with the National Company Law Tribunal, Hyderabad to seek necessary orders in this regard and the order is reserved.

- b. During the financial year 2017-18, the holding company has received order of the Regional Provident Fund Commissioner in the matter of levy of damages pertaining to the earlier years U/s 14 B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 aggregating to ₹ 0.41 Million for the period from 10/1999 to 02/2009 and ₹ 60.86 Million for the period from July 2009 to March 2015.

In respect of the above, The Employees' Provident Fund Organisation has also sent notice u/s 8 F of the Employees' Provident Fund

and Miscellaneous Provisions of the Act, 1952 to a Bank demanding the recovery of ₹ 91.22 Million (including interest of ₹ 29.96 Million). The company has filed an appeal U/s 7-I of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 with Employees' Provident Fund Appellate Tribunal, Bangalore Bench regarding the damages amounting to ₹ 61.26 Million and the matter is presently sub-judice.

- ii. Note 58 (t) to the consolidated financial Statements in respect of Salem Tollways Limited, (a Subsidiary Company) wherein the other auditors had stated in their report:

- a. In respect preparation of financial Statements of the Company on going concern basis for the reasons stated therein, the company has reported a net loss of ₹ 884.10 Million as at March 31, 2019 resulting in erosion of its net worth. The company has obligations towards fund-based borrowings aggregating to ₹ 2,692.80 Million and other obligations pertaining to operations including unpaid creditors and statutory dues amounting of ₹ 1,514.50 Million as at March 31, 2019 and contingent liabilities amounting of ₹ 30.20 Million. These conditions indicate existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.

- b. The company has disputed charging of interest by State Bank of India at higher rate of 16.70% instead of 12% (as compared to other Consortium lending member Banks rate of interest) which has resulted in excess levy/charge of interest by ₹ 9.06 Million by State Bank of India. The company has not account for above stated excess charge of interest by State Bank of India in the books of account.

- iii. Note 58 (e) to the consolidated financial Statements in respect of IVRCL Chengapalli Tollways Limited, (a Subsidiary Company) wherein the other auditors had stated in their report:

- a. In respect preparation of financial Statements of the Company on going concern basis for the reasons stated therein, the company has reported a net loss of ₹ 548.00 Million (Previous year ₹ 492.70 Million). The company has obligations towards fund-based borrowings aggregating to ₹ 10,414.70 Million and other obligations pertaining to operations including unpaid creditors and statutory dues amounting of ₹ 1,668.00 Million as at March 31, 2019. Further, the company borrowings have been classified as non-performing assets by the banks due to defaults in the payment of dues and the company has also defaulted in repayment of debenture holders and the company's current liabilities exceed current assets by ₹ 3,070.00 Million as on March 31, 2019. These conditions indicate existence of material uncertainty that

## INDEPENDENT AUDITORS' REPORT

- may cast significant doubt about the company's ability to continue as a going concern.
- b. The company had entered into one-time settlement (OTS) with IFCI Limited vide letter dated March 22, 2017 for settlement of entire dues by March 31, 2017. However, the company could not settle dues pertaining to debentures till date.
  - c. The company has taken term loan from consortium of banks. The company borrowings have been classified as non-performing assets by the lenders due to defaults in payment of related dues.
- iv. Note 58 (d) the Consolidated Financial Statements of IVR Hotels and Resorts Limited, a subsidiary of the Company, whereby the other auditor has stated;
    - a. In respect of secured loan due, the lender bank has initiated recovery proceedings against the Company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest act, 2002 in respect of outstanding loan as at the end of the year plus interest and costs thereafter.
    - b. In respect of accumulated losses and obligation towards borrowings, the management of the company is confident of improvement in its business operations.
  - v. Note 58 (b) to the Consolidated Financial Statements of Alkor Petroo Limited, a subsidiary of the Company, whereby the other auditor has stated;
    - a. In respect of the Corporate Guarantee on behalf of the Company (on the basis of Counter Guarantee by IVRCL Limited, Bank guarantee was issued by ICICI Bank) has been encashed by its partner, Gujarat State Petroleum Corporation Limited in the year 2014-15, as the Company could not pay the expenses incurred as per the Concession agreement. Hence, the company has reclassified the Capital Work-in-progress to Capital Work-in-progress (under claim) as a civil suit filed by the Company is still pending. The status of the claim process is not known.
    - b. In respect of wherein Cash and cash equivalents are stated. The balance available in the Tamilnad Mercantile Bank as on 31/03/2018 as per books of account was ₹ .20 Million. However, the same could not be verified as neither bank statements nor balance confirmation letter from bank were available.
  - vi. Note 58 (f) to the Consolidated Financial Statements of IVR Enviro Projects Private Limited, a subsidiary of the Company, whereby the other auditor has stated in respect of wherein Cash and cash equivalents are stated.
    - a. The balance available in Tamilnad Mercantile Bank as on March 31, 2019 as per books of account was ₹ 0.69 Million. However, the

transactions during the year could not be verified as bank statement from banks was not available.

- vii. Note 58 (r) to the Consolidated Financial Statements of IVRCL Patalganga Truck Terminals Private Limited, a subsidiary of the Company, whereby the other auditor has stated in respect of wherein Cash and cash equivalents are stated.
  - a. The balance available in HDFC Bank and Indian Overseas Bank as on March 31, 2019 as per books of account was ₹ .003 Million and ₹ .008 Million respectively. However, the same could not be verified as neither bank statements nor balance confirmation letters from banks were available. Our opinion is not qualified in respect of these matters.

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

The Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its Order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for Liquidation of M/s IVRCL Limited "as going concern" and the Resolution professional (RP) for the Company has been appointed as the Liquidator. The Liquidator shall exercise the powers and duties as enumerated in sections 35 to 50, 52 to 54 of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

The consolidated financial statement of a company shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the consolidated financial results. In view of the Liquidation Order passed by the NCLT, all the powers of the Board of Directors, and Key Managerial Personnel shall cease to have effect and shall be vested with Mr. Sutanu Sinha, the liquidator. Accordingly, audited consolidated financial results of the group for the year ended March 31, 2019 were taken on record and authorized for issue to concerned authorities by the Liquidator.

The Holding Company is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled



## INDEPENDENT AUDITORS' REPORT

entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

### 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 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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and

## INDEPENDENT AUDITORS' REPORT

qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

### Other Matters

- a) We did not audit the financial Statements / financial information of 57 subsidiaries and fellow subsidiaries whose financial Statements / financial information reflect net assets of ₹10,452.67 Million as at March 31, 2019, total revenues of ₹ 3,505.30 Million and net cash outflows amounting to ₹ 388.50 Million for the year ended on that date. This financial statements / financial information 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 our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. (Refer Appendix-1)
- b) Non-availability of the financial statement of three associates and 9 subsidiaries as at March 31, 2019. The investment of associates and subsidiaries of ₹ 4,451.88 Million and ₹ 764.62 Million respectively in the Consolidated Financial Statements have not been adjusted in the consolidated financial statements in absence of their financial statement as at March 31, 2019 and onwards that may have been required had the financial statements were available.
- c) We did not audit the separate financial Statements of 3 joint ventures included in consolidated financial Statements, whose financial result reflects holding company's share in net profit of joint venture aggregating to ₹ 6.18 Million for the year ended March 31, 2019. We have not consolidated 29 joint ventures in consolidated financial Statements. In our opinion and according to the information and explanations given to us by the Management, these financial Statements / financials information, in aggregate, are not material to the Company.
- d) We did not audit the financial Statements/information of 6 branches included in the Consolidated financial Statements of the company.

- e) In respect of Note 58 (s) of the Consolidated financial Statements of IVRCL PSC Pipes Private Limited a subsidiary of the Company, whereby the other auditor has stated regarding the legal proceedings initiated by a creditor, Radiant Engineers, against the company for recovery of outstanding dues of ₹ 0.35 Million. The status of the legal proceedings at the time of audit was not known.

Our opinion on the consolidated financial Statements is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial Statements.

### 1. Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associate, Jointly controlled entities and Joint Venture we report, to the extent applicable, that:
  - a) We have sought and except for the effects/possible effects of the matters described under "Basis for Disclaimer of Opinion" paragraph, have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) Except for the effects/possible effects of matters described in the "Basis for Disclaimer of Opinion" paragraph, 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 and unaudited accounts/returns adequate for the purpose of our audit have been received from the branches not visited by us.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including consolidated other comprehensive income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, except for the effects/possible effects of the matters described in the "Basis for Disclaimer of Opinion" paragraph, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - e) The matters described under "Basis for Disclaimer of Opinion" and "Emphasis of Matters", in our opinion, may have an adverse effect on the functioning of the Group;
  - f) In view of the Liquidation Order passed by the NCLT, all the powers of the Board of Directors,

## INDEPENDENT AUDITORS' REPORT

and Key Managerial Personnel shall cease to have effect and shall be vested with Mr. Sutanu Sinha, the liquidator. Hence, written representation from directors have not been taken on record by the Board of Directors of the Holding Company. Accordingly, we are unable to comment whether none of the director is disqualified as on March 31, 2019 from being appointed as a director in the terms of Section 164 (2) of the Act. In case of the subsidiary companies, on the basis of the reports of the statutory auditors of its subsidiary companies none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act except one director of SPB i.e. Mr Vinod Nagnath Kulkarni (DIN-00713232) who has been disqualified w.e.f November 01, 2016.

- g) The disclaimer relating to the maintenance of accounts and other matters connected therewith are as stated in the "Basis for Disclaimer of Opinion" paragraph;
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Group's internal financial control over financial reporting.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and except for the effects/possible

effects of matter described in para 5 "basis of qualified opinion";

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures (Refer note 42);
- ii. Provision has been made in the consolidated financial statements as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts and derivative contracts;
- iii. There has not been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended March 31, 2019.
- vi. In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company is in accordance with the provisions of 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 CHATURVEDI & CO.**  
Chartered Accountants  
Firm Registration No. 302137E

Hyderabad  
September 04, 2019

**Pankaj Chaturvedi**  
Partner  
Membership No. 091239

# INDEPENDENT AUDITORS' REPORT

## Annexure "A" to the Independent Auditors' Report of even date on the Consolidated Financial Statements of IVRCL Limited

### 1. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of IVRCL LIMITED ("the Holding Company or the Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the group") as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of IVRCL Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

### 2. Management's Responsibility for Internal Financial Controls

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

### 3. Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal

financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the IFC of the Holding Company and its subsidiary companies as aforesaid.

### 4. Meaning of Internal Financial Controls Over Financial Reporting

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

### 5. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



## INDEPENDENT AUDITORS' REPORT

### 6. Basis for Qualified Opinion

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019:

- a) The Holding Company did not have appropriate internal financial controls over (a) Assessment of recoverability of deferred tax assets (b) Assessment of expected credit loss/loss allowance of bank guarantees encashed by customers, unbilled revenue, trade receivables and withheld amounts which are subject matters of various disputes /arbitration proceedings/negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. (c) Assessment of expected cash shortfall and resultant loss allowance that may be required in respect of invocation of corporate guarantees and demand against the Company in respect of such guarantees extended / executed for its subsidiaries and other parties in favour of the lenders. (d) Assessment of impairment in value of long term equity investment and assessment of impairment in value of loans and advances to various subsidiary companies and other parties. (e) Control over reconciliation of subcontractors work bills with the work bills submitted to the clients and physical progress of works completed, which could potentially result into inaccurate estimation of percentage of work completed and consequently delay in the realization of unbilled revenue/ receivables. (f) Controls over projects costs estimation and review of balance costs to complete in respect of work projects, which could potentially result into inaccurate estimation of foreseeable losses on works contracts. (g) physical verification of fixed assets and inventories. Further the company did not have any internal audit system during the year.
- b) The Holding Company has consolidated financial statements / financial information of 30 subsidiary companies, which are companies incorporated in India, which has been included in the consolidated financial statements based on unaudited financial statements/financial information. Hence, we are unable to comment on the adequacy and operating effectiveness of the internal financial controls over financial reporting related to the consolidation of the said entities and consequently the items of revenues, expenses, assets, liabilities and net cash flows from the said subsidiary companies which are companies incorporated in the consolidated financial statements of the Holding company have not been audited and therefore not reported by us. The inadequate supervisory and review control over Company's process in respect of its aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in preparation and presentation of consolidated financial statement including the profit/loss after tax. Refer appendix -1
- c) In respect of IVRCL TLT Private Limited (a Subsidiary Company), the other auditors have stated in their report for the financial year ended March 31, 2019 that the Company does not have appropriate internal financial controls system over financial reporting over (a) assessment of loss allowance that may be required in respect corporate guarantee given to the lenders of the Holding Company; (b) Assessment of recoverability of Value Added Tax refund from the concerned authorities; (c) Assessment of loss allowance/ expected credit loss on old trade receivables and (d) Assessment of net realizable value of non-moving trade. The inadequate internal controls over financial reporting in respect of aforesaid matters have effect on the reported profit for the year.
- d) In respect of Absorption Aircon Engineers Private Limited (a Step down Subsidiary Company), the other auditors have stated in their report for the financial year ended March 31, 2019 that the Company did not have sufficient and appropriate internal financials controls over assessment of its ability to continue as going concern in view of corporate guarantee provided to Corporate Debt Restructuring lenders of Ultimate holding Company.
- e) In respect of IVR Prime Developers (Amalapuram) Private Limited (a Step down Subsidiary Company), the other auditors have stated in their report for the financial year ended March 31, 2019 that the Company did not have sufficient and appropriate internal financials controls over assessment of its ability to continue as going concern in view of corporate guarantee provided to Corporate Debt Restructuring lenders of Ultimate holding Company.
- f) In respect of Bibinagar Developers Private Limited (a Step down Subsidiary Company), the other auditors have stated in their report for the financial year ended March 31, 2019 that the Company did not have sufficient and appropriate internal financials controls over assessment of its ability to continue as going concern in view of corporate guarantee provided to Corporate Debt Restructuring lenders of Ultimate holding Company.

## INDEPENDENT AUDITORS' REPORT

g) In respect of IVR Prime Developers (Guntur) Private Limited (a Step down Subsidiary Company), the other auditors have stated in their report for the financial year ended March 31, 2019 that the Company did not have sufficient and appropriate internal financials controls over assessment of its ability to continue as going concern in view of corporate guarantee provided to Corporate Debt Restructuring lenders of Ultimate holding Company.

h) In respect of Samatteri Developers Private Limited (a Step down Subsidiary Company), the other auditors have stated in their report for the financial year ended March 31, 2019 that the Company did not have sufficient and appropriate internal financials controls over assessment of its ability to continue as going concern in view of corporate guarantee provided to Corporate Debt Restructuring lenders of Ultimate holding Company.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

### 7. Qualified opinion

In our opinion, except for the possible effects of material weaknesses described in "basis of qualified opinion" paragraph above, the group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal

Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 Consolidated financial statements of the Company, and these material weaknesses have affected our opinion on the Consolidated financial statements of the Company and we have issued a qualified opinion on the Consolidated financial statements.

### 8. Other matters

a) Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it related to 33 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

b) The consolidated financial statements of the Company for the year do not include Company's share of profit/loss in respect of three associate Companies in which the Company has investment amounting to ₹ 764.62 million as at March 31, 2019. We are unable to comment on the same on our reporting under section 143(3)(e) of the Act in the case of these consolidated financial statements.

**For CHATURVEDI & CO.**  
Chartered Accountants  
Firm Registration No. 302137E

Hyderabad  
September 04, 2019

**Pankaj Chaturvedi**  
Partner  
Membership No. 091239

# INDEPENDENT AUDITORS' REPORT

## Appendix- 1: Details of the subsidiary companies that have been consolidated

### (a) Subsidiary companies consolidated based on audited accounts

S. No	Particulars
1	IVRCL PSC Pipes Private Limited
2	IVR Enviro Projects Private Limited
3	Kumarapalyam Tollways Limited
4	IVRCL Steel Construction & Services Limited
5	IVRCL Chengapalli Tollways Limited
6	Alkor Petroo Limited
7	IVRCL Building Products Limited
8	RIHIM Developers Private Limited
9	IVRCL Raipur Bilaspur Tollways Limited
10	IVR Hotels and Resorts Limited
11	IVR Prime Developers (Tambaram) Private Limited
12	IVR Prime Developers (Palakkad) Private Limited
13	IVR Prime Developers (Guindy) Private Limited
14	IVRCL Chandrapur Tollways Limited
15	Jalandhar Amritsar Tollways Limited
16	Salem Tollways Limited
17	IVRCL TLT Private Limited
18	IVRCL Patalanga Truck Terminals Private Limited
19	Kunnam Developers Private Limited
20	Tirumani Developers Private Limited
21	Samatteri Developers Private Limited
22	IVR Prime Developers ( Amalapuram) Private Limited
23	IVR Prime Developers ( Guntur ) Private Limited
24	Absorption Aircon Engineer Private Limited
25	Bibinagar Developers Private Limited
26	Annupampattu Developers Private Limited
27	Iiavampedu Developers Private Limited
28	Chodavaram Developers Private Limited
29	IVR Prime Developers ( Adayar) Private Limited
30	IVR Prime Developers ( Egmore) Private Limited
31	IVR Vanaprastha Private Developers Pvt Ltd
32	IVR PUDL Resorts & Club Pvt Ltd
33	IVRCL Patiala Bhatinda Tollways Limited
34	IVRCL Narnaul Bhiwani Tollways Limited
35	IVRCL Megamalls Limited
36	Agaram Developers Private Limited
37	Simhachalam Prime Developers Private Limited
38	IVR Prime Developers ( Red Hills ) Private Limited
39	IVR Prime Developers ( Tuni ) Private Limited

## INDEPENDENT AUDITORS' REPORT

40	IVR Prime Developers ( Bobbili ) Private Limited
41	IVR Prime Developers ( Bhimavaram ) Private Limited
42	Mummidi Developers Private Limited
43	IVRCL Solar Energy Private Limited
44	Siripuram Developers Private Limited
45	IVR Prime Developers (Erode) Private Limited
46	IVR Prime Developers ( Araku ) Private Limited
47	Gajuwaka Developers Private Limited
48	Duvvda Developers Private Limited
49	Kasibugga Developers Private Limited
50	Vedurwada Developers Private Limited
51	Eluru Developers Private Limited
52	Theata Developers Private Limited
53	Vijaywada Developers Private Limited
54	Rudravaram Developers Private Limited
55	Geo IVRCL Engineering Limited
56	Geo Prime Developers Private Limited
57	IVRCL EPC Limited

### (b) Subsidiary companies consolidated based on unaudited accounts

S. No.	Name of the Subsidiary Company
1	IVRCL Lanka Private Limited
2	SPB Developers Private Limited
3	IVRCL Caedagua Hogenakkal Water Treatment Co. Private Limited
4	Chennai Water Desalination Limited

### Appendix-2: Subsidiary companies not included in consolidation

S. No	Name of the Company
1	Hindustan Dorr-Oliver Limited
2	HDO Technologiess Limited
3	Davymarkham (India) Private Limited
4	HDO (UK) Limited
5	HDO Zambia Limited
6	First STP Private Limited
7	Chengapally Road Infra Private Limited
8	Sapthashva Solar Limited
9	IVRCL Gundugolanu Rajamundry Tollways Limited

# Consolidated Balance Sheet as at March 31, 2019



(All amount ₹ in Million unless otherwise stated)

	Note No.	As At March 31, 2019	As At March 31, 2018
<b>I ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	3,007.98	4,488.59
(b) Capital Work-in-progress		97.26	97.26
(c) Investment Properties	4	257.76	262.28
(d) Goodwill		700.94	690.07
(e) Other Intangible Assets	4	27,667.42	28,622.61
(f) Other Intangible Assets under Development		5,787.13	5,422.47
(g) Financial Assets			
(i) Investments	5	4,734.72	4,692.70
(ii) Trade Receivables	6	4,449.10	2,955.55
(iii) Other financial Assets	7	11,141.69	9,499.41
(h) Deferred Tax Asset (Net)	8	9,760.20	9,766.89
(i) Non - Current Tax Assets (Net)	9	967.39	1,012.09
(j) Other Non - Current Assets	10	3,782.47	3,784.48
<b>Total Non-Current Assets</b>		<b>72,354.06</b>	<b>71,294.39</b>
<b>2. Current Assets</b>			
(a) Inventories	11	11,312.74	10,886.02
(b) Financial Assets			
(i) Investments	12	357.21	373.06
(ii) Trade Receivables	13	10,902.51	12,852.68
(iii) Cash and cash equivalents	14	1,467.11	2,190.78
(iv) Bank balances (other than iii above)	15	758.92	301.34
(v) Other Financial Assets	16	1,749.87	1,482.86
(c) Current Tax Assets (Net)	17	357.48	-
(d) Other Current Assets	18	15,645.22	17,050.95
<b>Total Current Assets</b>		<b>42,551.06</b>	<b>45,137.69</b>
<b>Total Assets</b>		<b>114,905.12</b>	<b>116,432.07</b>
<b>II Equity and Liabilities</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	19	1,565.80	1,565.80
(b) Other Equity	20	(37,268.53)	(18,229.73)
Equity attributable to owners of the parent		(35,702.73)	(16,663.93)
Non-controlling interests		1,180.73	1,379.22
<b>Total equity</b>		<b>(34,522.00)</b>	<b>(15,284.71)</b>
<b>2. Liabilities</b>			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	13,616.51	14,323.34
(ii) Other financial liabilities	22	553.56	1,463.56
(b) Provisions	23	1,117.86	1,027.29
(c) Deferred Tax Liability (Net)	24	-	3.21
(d) Other Non-Current Liabilities	25	1,792.30	1,859.32
<b>Total Non-Current Liabilities</b>		<b>17,080.23</b>	<b>18,676.72</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	26	72,767.78	64,587.25
(ii) Trade Payables			
Total Outstanding Dues to Micro, Small and Medium Enterprise	27	8.01	28.00
Other Outstanding Dues of Creditors other than Micro, Small and Medium Enterprise		13,980.84	12,862.83
(iii) Others Financial Liabilities	28	36,335.37	26,075.40
(b) Other Current Liabilities	29	6,723.93	6,930.96
(c) Provisions	30	2,517.74	2,541.79
(d) Current Tax Liabilities (Net)	31	13.21	13.83
<b>Total Current Liabilities</b>		<b>132,346.88</b>	<b>113,040.06</b>
<b>Total Equity and Liabilities</b>		<b>114,905.12</b>	<b>116,432.07</b>
See accompanying notes forming part of the Financial Statements	1-80		

In terms of our report attached

**For CHATURVEDI & CO.**

**For IVRCL Limited**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

**SUTANU SINHA**

**L. RAGHU RAMI REDDY**

Partner

Liquidator

Chief Financial Officer

Membership No. 091239

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

Date: September 04, 2019

**B. SUBRAHMANYAM**

Place : Hyderabad

Company Secretary

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



(All amount ₹ in Million unless otherwise stated)

	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
<b>I Income</b>			
a) Revenue from operations	32	12,526.29	19,044.62
b) Other income	33	416.21	1,384.16
<b>Total income</b>		<b>12,942.50</b>	<b>20,428.78</b>
<b>II Expenses</b>			
(a) Cost of materials consumed	34	675.51	2,526.78
(b) Purchase of Stock in Trade		-	-
(b) Change in Inventories of Finished Goods, Stock in Trade and Work in Progress	35	(20.75)	31.83
(c) Sub-contracting expense	36	4,695.84	9,343.09
(d) Masonry, labour and other construction expense	37	5,911.49	6,402.80
(e) Employee benefits expense	38	775.73	1,103.37
(f) Finance Costs	39	14,932.68	13,249.55
(g) Excise Duty		-	10.26
(h) Depreciation and amortisation expense	4	2,421.41	2,836.64
(i) Other expenses	40	1,011.44	2,030.63
<b>Total expenses</b>		<b>30,403.32</b>	<b>37,534.95</b>
III <b>Loss before exceptional items and tax (I-II)</b>		(17,460.82)	(17,106.17)
IV Exceptional items	57	1,732.28	4,753.95
V <b>Loss before tax (III-IV)</b>		(19,193.10)	(21,860.12)
VI <b>Tax Expense</b>			
Current Tax (Expenses)/Credit		2.31	0.46
Tax related to earlier year		(3.86)	(0.87)
Deferred Tax (Expense)/Credit		(0.16)	(121.29)
<b>10 Tax expense</b>			
Minimum Alternate Tax		(0.53)	(4.31)
		<b>(2.24)</b>	<b>(126.00)</b>
VII <b>Net loss for the year (V-VI)</b>		<b>(19,195.34)</b>	<b>(21,986.13)</b>
VIII <b>Attributable to</b>			
Shareholders of the Company		(19,018.77)	(21,887.53)
Non-Controlling Interests		(176.57)	(98.60)
IX <b>Other Comprehensive income / (expense)</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		0.59	(0.90)
Income Tax on above items		(0.33)	0.06
X <b>Items that may be reclassified to profit or loss</b>			
Exchange differences on translation of a foreign operation		-	2.51
Income Tax on above items		-	-
XI <b>Other Comprehensive income / (loss) for the year</b>		<b>0.26</b>	<b>1.67</b>
XII <b>Total Comprehensive income for the year (VII+XI)</b>		<b>(19,195.08)</b>	<b>(21,984.46)</b>
<b>Attributable to</b>			
Shareholders of the Company		<b>(19,018.51)</b>	<b>(21,885.87)</b>
Non-Controlling Interests		<b>(176.57)</b>	<b>(98.59)</b>
XIII <b>Paid up equity share capital (Face Value of ₹ 2)</b>		<b>1,565.80</b>	<b>1,565.80</b>
XIV <b>Earnings per share (of ₹ 2 each) (not annualised)</b>			
Basic & Diluted EPS (in ₹)		(24.29)	(27.96)
See accompanying notes forming part of the Financial Statements	1-80		

In terms of our report attached

**For CHATURVEDI & CO.**

**For IVRCL Limited**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

**SUTANU SINHA**

**L. RAGHU RAMI REDDY**

Partner

Liquidator

Chief Financial Officer

Membership No. 091239

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

Date: September 04, 2019

**B. SUBRAHMANYAM**

Place : Hyderabad

Company Secretary

# Consolidated Statement of Cash Flows for the year ended March 31, 2019



(All amount ₹ in Million unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A.</b>	<b>Cash flow from operating activities</b>		
	(Loss)/Profit Before Tax	(19,193.10)	(21,860.12)
	Consolidation Adjustment	-	-
	<b>Adjustment for:</b>		
	Depreciation and Amortisation Expense	2,421.41	2,836.64
	Depreciation capitalized	-	12.06
	Dividend received on Investments	(0.04)	(0.04)
	Loss on Sale of Property Plant & Equipment	-	32.36
	Profit on Sale of Property Plant & Equipment	(0.07)	(34.53)
	Provision for doubtful debts, advances and deposits (net)	502.23	1,416.31
	Bad debts written off	0.48	96.98
	Exceptional Item	1,732.28	4,753.95
	Liabilities no longer required written back	(0.63)	(263.29)
	Loss on sale of Investment	-	2.00
	Net Unrealised Exchange (Gain) / Loss	2.57	110.09
	Interest Income	(77.38)	(183.15)
	Income from Mutual Fund	(26.77)	(29.47)
	Finance Costs	14,928.68	13,139.46
		19,482.76	21,889.37
	Operating Profit / (Loss) before working capital changes	<b>289.66</b>	<b>29.25</b>
	Changes in Working Capital :		
	(Increase)/decrease in Inventories	(426.72)	85.70
	(Increase)/decrease in Trade Receivables	(2,681.06)	1,454.94
	(Increase)/decrease in Other Non Current Assets	(663.95)	707.81
	(Increase)/decrease in Other Current Assets	1,301.09	2,605.26
	Increase/(decrease) in Trade Payable	1,106.02	(1,782.57)
	Increase/(decrease) in Other long term Financial Liabilities	2,795.13	(625.84)
	Increase/(decrease) in Other current liabilities and provisions	(1,188.86)	(355.38)
		241.66	2,089.91
	<b>Net Cash used in Operations</b>	<b>531.32</b>	<b>2,119.16</b>
	Net Income Tax Refund / (paid)	(314.93)	(268.65)
	<b>Net Cash (used in) / generated from operating activities</b>	<b>216.39</b>	<b>1,850.51</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Capital Expenditure on Fixed Assets (including Capital Advances)	(11.39)	(0.58)
	Proceeds from Sale of Fixed Assets	0.04	169.63
	(Purchase) / Subscription of Long/Short-Term Investments	10.63	(393.42)
	Loans/Advance given to Subsidiaries/Associates/Joint Ventures (net)	(125.53)	(266.83)
	Net investment in Bank Fixed Deposit	(457.84)	150.69
	Interest Received	381.45	208.88
	Dividend Received on Long Tem Investments	-	0.04
	<b>Net cash used in investing activities</b>	<b>(202.63)</b>	<b>(131.60)</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Proceeds from Borrowings ( net of repayments)	1,347.24	1,099.91
	Interest and Finance Charges Paid	(2,084.66)	(2,102.73)
	Dividend paid	-	-
	<b>Net cash generated from financing activities</b>	<b>(737.42)</b>	<b>(1,002.82)</b>
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(723.67)	716.10
	Cash and cash equivalents at the beginning of the year	2,190.78	1,516.17
	Consolidation Adjustment	-	(41.50)
	<b>Cash and cash equivalents at the end of the year (Refer Note 15)</b>	<b>1,467.11</b>	<b>2,190.78</b>

- Bank balance includes restricted amount of ₹ 2.39 million (₹ 2.39 million) towards unpaid dividend.
- Figures in bracket represents cash outflow.

In terms of our report attached

**For CHATURVEDI & CO.**

**For IVRCL Limited**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

**SUTANU SINHA**

**L. RAGHU RAMI REDDY**

Partner

Liquidator

Chief Financial Officer

Membership No. 091239

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

Date: September 04, 2019

**B. SUBRAHMANYAM**

Place : Hyderabad

Company Secretary



# Consolidated Statement of Change in Equity (SOCE) for the year ended March 31, 2019

## a) Equity Share Capital

Particulars	Numbers	(₹ in million)
Equity share of ₹ 2 each issued, subscribed and paid As at April 1, 2017	782,897,692	1,565.80
Issue of Equity share during the year	-	-
<b>As at March 31, 2018</b>	782,897,692	1,565.80
Issue of Equity share during the year	-	-
<b>As at March 31, 2019</b>	782,897,692	1,565.80

## b) Other Equity

Particulars	Reserves and surplus							Total		
	Capital Reserve	Securities Premium	Debt Redemption Reserve	General Reserve	Retained Earnings	Business Restructuring Reserve	Exchange differences on translating the financial statements of foreign operation		Other items of Other Comprehensive Income	Non-controlling interest
<b>As at April 1, 2017</b>	3,294.78	17,946.08	500.00	8,988.72	(40,382.86)	271.35	35.68	(121.42)	843.24	(8,624.42)
Loss during the year	-	-	-	-	(21,887.53)	-	-	-	(98.59)	(21,986.12)
Consolidation Adjustment	(716.96)	(93.81)	-	(351.13)	14,327.24	-	-	(1.55)	634.56	13,798.35
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
<b>Actuarial Gain/(loss) on defined benefit plan</b>	-	-	-	-	-	-	-	(0.84)	-	(0.84)
Increase in securities premium	-	-	-	-	-	-	-	-	-	-
Foreign currency translation reserve created on translation of foreign operation	-	-	-	-	-	-	(39.98)	2.51	-	(37.47)
As at March 31, 2018	2,577.82	17,852.27	500.00	8,637.59	(47,943.16)	271.35	(4.30)	(121.29)	1,379.21	(16,850.50)
Loss during the year	-	-	-	-	(19,018.77)	-	-	-	(176.57)	(19,195.34)
Consolidation Adjustment*	-	-	-	-	-	-	-	-	(21.92)	(21.92)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
<b>Actuarial Gain/(loss) on defined benefit plan</b>	-	-	-	-	-	-	-	0.26	-	0.26
Increase in securities premium	-	-	-	-	-	-	-	-	-	-
Foreign currency translation reserve created/adjusted on translation of foreign operation	-	-	-	-	-	-	(17.90)	-2.51	-	(20.41)
<b>As at March 31, 2019</b>	2,577.82	17,852.27	500.00	8,637.59	(66,961.92)	271.35	(22.20)	(123.55)	1,180.73	(36,087.91)

In terms of our report attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Partner

Membership No. 091239

Date: September 04, 2019

Place : Hyderabad

**For IVRCL Limited**

**SUTANU SINHA**

Liquidator

IP Registration no. IBB/I/PA-003/IP-N00020/2017-18/10167

**B. SUBRAHMANYAM**

Company Secretary

**L. RAGHU RAMI REDDY**

Chief Financial Officer





# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 1. Company Overview

M/s.IVRCL Limited (the Company) having its registered office at M-22/3RT, Vijayanagar Colony, Hyderabad-500 057, Telangana India, is a public Company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. The Company, its subsidiaries (referred to as the “Group”), associates and joint-ventures is in the business of development and execution of Engineering, Procurement, Construction and Commissioning (EPCC) and Lump Sum Turn Key (LSTK) facilities in various infrastructure projects such as water supply, Roads and Bridges, Townships and Industrial Structures, Power Transmission etc. for Central/ State Governments, other local bodies and private sector. The group has manufacturing facilities at Vatva, Ahmedabad, Gujarat & Nagpur, Maharashtra. The corporate office of the Company is located at MIHIR, 8-2-350/5/A/24/1-B&2, Road no 2, Panchvati Colony, Banjara Hills, Hyderabad- 500 034, Telangana, India.

## 2. Recent accounting pronouncement

Standards Issued but not yet effective and not early adopted by the Company.

On March 30,2019, the MCA issued certain amendments to Ind AS relate to the following standards.

- Ind AS 12 Income Taxes to insert of Appendix C uncertainty over Income tax treatments
- Ind AS 19 Employee Benefits
- Ind AS 23 Borrowing Costs
- Ind AS 28 Investments in Associates and Joint Ventures
- Ind AS 109 Financial Instruments
- Ind AS 111 Joint Arrangements
- Ind AS 116 Leases

These amendments are effective from April 01, 2019 and the Company believes that the afore stated amendments will not materially impact the financial statements of the Company.

## 3. Significant Accounting policies

### 3.1 Basis of preparation

These Consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and presentation requirements of Division II to Schedule III to the Act under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 3.2 Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company and its subsidiaries. Control is achieved when the Holding Company; has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 3.3 Principles of Consolidation

- a) Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses on intra-group transactions as per Indian Accounting Standard (Ind AS) 110.
- b) Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.
- c) Investments in Joint Venture are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in joint venture includes goodwill identified on acquisition.
- d) The financial statements of the Subsidiaries, Joint ventures and the Associates used in the consolidation are drawn up to the same reporting date as that of the Holding Company, i.e. March 31, 2019.
- e) The excess of cost to the Group, of its investment in the subsidiaries over the Group's share of equity is recognised in the consolidated financial statements as Goodwill and tested for impairment annually.
- f) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company's separate financial statements. The Subsidiaries and Associate Companies considered for consolidated financial statements are given in Note 73.

## 3.4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Consolidated financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the Consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based upon managements best knowledge of current events, actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Discount rate used to determine the carrying amount of the Company's defined benefit obligation: In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Contingences and commitments: In the normal course of business, contingent liabilities may arise from litigations and other claims against the Group. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, Group treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, company do not expect them to have a materially adverse impact on the financial position or profitability.

Key sources of estimation uncertainty: The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes: The Group's tax jurisdiction is mainly in India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Useful lives of property, plant and equipment: As described in Note 3.10, the Group reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Allowances for doubtful debts: The Group makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates.

Contract estimates: The Group, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal percentage as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recoverability of claims: The Group has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/ discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

Deferred tax assets: In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

## 3.5 Operating Cycle and Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when (a) It is expected to be realised or intended to be sold or consumed in normal operating cycle; (b) It is held primarily for the purpose of trading; or (c) It is expected to be realised within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Accordingly, operating cycle for the business activities of the Group covers the duration of the specific project/ contract/project line/service including defect liability period, wherever applicable and extends up to the realization of receivables (including retention money) with agreed credit period normally applicable to the respective project.

## 3.6 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction contracts'. The Company has adopted Ind AS 115 using modified retrospective approach. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018).

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date,

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

## Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

## Revenue from operations:

Revenue for the periods upto June 30, 2017 includes excise duty collected from customers. Revenue from July 1, 2017 onwards is exclusive of goods and service tax (GST) which subsumed excise duty. Revenue also includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

## Revenue from construction/project related activity is recognised as follows:

1. Cost plus contracts: Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
2. Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

Supply Contracts-Sale of Goods: Revenue from supply contract is recognized when the substantial risk and rewards of ownership is transferred to the buyer, which is generally on dispatch, and the collectability is reasonably measured. Revenue from product sales are shown as net of all applicable taxes and discounts.

Interest income: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends: Dividend income from investments is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

Service Concession Arrangements: The Group recognizes and measures revenue in accordance with Appendix A, Service Concession Arrangement of Indian Accounting Standard (IND AS) 11 'Construction Contracts'

The Group follows intangible asset model for revenue recognition 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

# Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

public service. The Group recognises an intangible asset to the extent it has an unconditional contractual right to receive the revenue from toll collections from the users of the public service developed by the group.

Income from other operation and maintenance contracts is recognised on the basis of utilisation of the facility by the clients and is based on the agreements entered into with the clients.

Toll Revenue: : Toll collection from the users of the infrastructure facility constructed by the company under Service Concession Arrangement is accounted for based on actual collection. Revenue from sale of passes / smart cards to local traffic is accounted for as and when such passes/ smart cards are sold.

Revenue from Real Estate Projects : Revenue from the sale of properties is recognised on transfer of all significant risks and rewards of ownership to the buyers, which coincides with the entering into a legally binding agreement and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However, if at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognised on the basis of percentage completion method, measured on the basis of percentage of actual cost incurred including proportionate land cost bears to the total estimated cost of the project under execution. Revenue comprises the aggregate amount of sale price as per the terms of the agreement entered into with the customers. The recognition is subject to reaching 25% of physical progress measured in terms of estimated cost and upon compliance of other conditions stipulated in the Guidance note on Accounting for Real estate transactions (Ind AS compliant companies) issued by the ICAI. The estimate of cost and saleable areas is reviewed periodically by the management and any effect of changes in estimates is recognised in the period of changes. Further, on periodical review if any project is expected to incur loss, the entire loss is recognised immediately. Cost in relation to the above includes cost of land, development cost, project over heads, borrowing cost and all cost incurred for bringing the property to marketable condition or its intended use.

Sale of bulk water: The income receivable from Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) mainly comprises Water Capacity Charges (WCC) and water variable Charges (WVC) provided for in the books on accrual basis.

## 3.7 Joint Arrangements

Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement and assessment of other facts and circumstances when the terms of contractual arrangement do not specify that parties have rights to the assets, and obligations for the liabilities, relating to the arrangement. In work sharing joint arrangements, revenue, expense, assets & liabilities are accounted for in the Group's books to the extent work is executed by the Group.

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

A joint venture is a joint arrangement whereby the contractual arrangement provides the parties to the arrangement with rights to the net assets of the arrangement (i.e. it is the separate vehicle, not the parties, that has rights to the assets, and obligations for the liabilities relating to the arrangement). When the Group participates in, but does not have joint control of, or does not have significant influence over, a joint arrangement/venture it accounts for its interest in a joint venture in accordance with IND AS 109 Financial Instruments.

## 3.8 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments are disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment and all other assets and liabilities are disclosed as unallocable.

## 3.9 Foreign Currencies

Functional currency: The functional currency of the Group is the Indian rupee.

Transactions and translations: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary

# Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

## 3.10 Property, plant and equipment

Property, plant and equipment (PPE) are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item 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 profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight- line method ("SLM") in the manner prescribed in schedule II to the Act except for the following assets which are depreciated based on useful life determined by the Company:

Steel Shuttering	10 years
Wood Shuttering	3 years
Pucca Sheds	3 years

Land acquired for quarrying are amortized over the period of the respective project.

Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the useful lives of the assets as considered by the Company reflect the periods over which these assets are expected to be used.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

## 3.11 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

## 3.12 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.



# Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The Group amortizes intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management. Technical know-how is amortized over a period of five years in equal instalments.

The Group has followed revenue based amortisation for intangible assets which are recognized under service concession arrangements for toll road projects, by taking proportionate of actual revenue earned for a year over total projected revenue from project to cost of intangible assets i.e. proportionate of actual revenue earned for the year over total projected revenue from intangible assets expected to be earned over the balance concession period as estimated by the management. Total projected revenue shall be reviewed at the end of each financial year and the total projected revenue shall be adjusted to reflect any changes in the estimates which lead to actual collection at the end of the concession.

## 3.13 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment properties are measured initially at cost, including transaction costs and where applicable borrowing costs less depreciation and impairment, if any. Subsequently investment property is measured at its cost, including related transaction costs in accordance with the Ind AS16's requirement for cost model.

## 3.14 Investment in subsidiaries and joint ventures

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

## 3.15 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

**Current tax:** Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**Deferred tax:** Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## 3.16 Leases

Leases are classified as finance leases whenever the terms of lease transfers substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

**Operating Lease:** Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which



# Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding in inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

Finance Lease: Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

## 3.17 Impairment of assets

Financial assets: The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

PPE and intangibles assets: Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

## 3.18 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.

## 3.19 Provisions and Contingent Liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 3.20 Inventories

The stock of construction material, stores and spares are valued at lower of cost on FIFO basis and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventory of manufactured goods and raw materials are valued at lower of cost and net realisable value. Cost of manufactured goods includes related overheads and excise duty paid/payable on such goods.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Residential Properties includes cost incurred towards development of such properties.

Plots stock represents cost of freehold land and land development rights segregated as plot for the purpose of development of township.

Freehold land purchased for the purpose of real estate development is considered as inventory.

Work-in-progress represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized.

Development rights for land represents development rights of land acquired from group companies and others as per the development agreements entered with them.

Direct expenditure relating to construction activity is inventorised. Indirect expenditure (including borrowing costs) during the construction period is inventorised to the extent the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Cost incurred/items purchased specifically for projects are taken as consumed as and when incurred/received.

## 3.21 Exceptional items

Items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group are disclosed as Exceptional items in the Statement of Profit & Loss.

## 3.22 Non-derivative financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### a. Financial assets

**Cash and cash equivalents:** The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

**Trade Receivables and Loans:** Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Debt Instruments:** Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

**Equity Instruments:** All investments in equity instruments classified under financial assets are initially measured at fair value, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis.

### b. Financial assets – Subsequent measurement

**Financial assets at amortised cost:** Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order 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.

**Financial assets at fair value through other comprehensive income (FVTOCI):** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

**Financial assets at fair value through profit or loss (FVTPL):** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial

# Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

## c. Financial liabilities

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

Financial guarantee contracts: Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

## d. Financial liabilities - Subsequent measurement

Financial liabilities are measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, carrying amounts approximate the fair value due to the short maturity of these instruments.

## e. Derecognition

The Group de-recognizes a financial assets when the contractual rights to the cash flows from the financial asset expires or it transfers the financial assets and the transfer qualifies for derecognition under Indian Accounting Standard 109 "Financial Instruments". A financial liability (or a part of financial liability) is de-recognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

## f. Offsetting of financial instruments

Financial assets and financial liabilities are offsetted and the net amount is reported in Consolidated financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 3.23 Borrowing costs

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during 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.

### 3.24 Employee Benefits

Employee benefits consist of contribution to employees state insurance, provident fund, gratuity fund and compensated absences.

#### Defined Contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Group's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further defined obligations beyond the monthly contributions.

#### Defined benefit plans:

The Group operates defined benefit plan in the form of gratuity. The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

# Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

The interest expense are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognised in the 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. They are included in retained earnings 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 profit or loss as past service cost.

## Compensated Absences

The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group . The liability towards such unutilized leave as at the yearend is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

The classification of the Group's net obligation into current and non- current is as per the actuarial valuation report.

## 3.25 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

## 3.26 Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected lives of the related assets and presented with other income.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated

### 4 Property, Plant and Equipment (Refer Note 45)

#### 1. Tangible Assets

(₹ In Million)

	Land - Freehold	Land - (Lease hold)	Buildings	Plant & Machinery	Motor Vehicles	Furniture	Office Equipment	Computers	Golf Course	Total	Investment Property
<b>Gross carrying value</b>											
As at 1 April, 2017	2,192.02	790.61	709.81	6,919.27	618.73	81.12	37.01	15.64	341.52	11,705.74	323.28
Addition	-	-	-	3.65	-	0.14	1.33	0.83	-	5.95	3.77
Disposal/Adjustment	1,126.91	772.50	329.99	1,379.53	9.63	19.84	3.13	2.34	5.81	3,649.69	51.21
<b>As at 31 March, 2018</b>	<b>1,065.11</b>	<b>18.11</b>	<b>379.81</b>	<b>5,543.39</b>	<b>609.10</b>	<b>61.42</b>	<b>35.21</b>	<b>14.12</b>	<b>335.71</b>	<b>8,062.00</b>	<b>275.85</b>
Addition	-	-	0.93	6.72	-	0.04	0.32	0.01	-	8.03	-
Disposal/Adjustment	-	-	-	12.47	1.04	0.06	-	-	-	13.57	-
<b>As at 31 March, 2019</b>	<b>1,065.11</b>	<b>18.11</b>	<b>380.75</b>	<b>5,537.64</b>	<b>608.05</b>	<b>61.41</b>	<b>35.53</b>	<b>14.14</b>	<b>335.71</b>	<b>8,056.46</b>	<b>275.85</b>
<b>Accumulated Depreciation</b>											
As at 1 April, 2017	-	26.18	76.07	1,511.22	328.05	35.58	29.23	10.68	21.88	2,038.89	11.02
Depreciation charge	-	0.18	16.03	1,552.00	131.62	12.50	4.17	1.46	11.03	1,728.99	5.34
Accumulated depreciation on disposal	-	25.82	21.14	131.28	3.81	10.15	1.44	0.82	-	194.47	2.80
<b>As at 31 March, 2018</b>	<b>-</b>	<b>0.52</b>	<b>70.96</b>	<b>2,931.93</b>	<b>455.86</b>	<b>37.93</b>	<b>31.96</b>	<b>11.32</b>	<b>32.91</b>	<b>3,573.40</b>	<b>13.57</b>
Depreciation charge	-	0.18	9.63	1,355.31	87.57	9.56	1.41	1.17	11.03	1,475.86	4.52
Accumulated depreciation on disposal	-	-	(2.56)	-	2.63	-	0.71	-	-	0.78	-
<b>As at 31 March, 2019</b>	<b>-</b>	<b>0.70</b>	<b>83.15</b>	<b>4,287.24</b>	<b>540.80</b>	<b>47.49</b>	<b>32.65</b>	<b>12.50</b>	<b>43.93</b>	<b>5,048.48</b>	<b>18.09</b>
<b>Net carrying value</b>											
As at 31 March 2018	1,065.11	17.58	308.86	2,611.46	153.24	23.50	3.25	2.80	302.80	4,488.59	262.28
As at 31 March 2019	1,065.11	17.41	297.60	1,250.40	67.25	13.92	2.88	1.64	291.78	3,007.98	257.76

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 2. Intangible Assets

	Software	Carriage ways	Total
<b>Gross carrying value</b>			
As at 1 April, 2017	2.31	33,521.87	33,524.18
Addition	-	-	-
<b>Disposal/Adjustment</b>	<b>2.31</b>	<b>2,253.45</b>	<b>2,255.76</b>
<b>As at 31 March, 2018</b>	-	31,268.42	31,268.42
Addition	-	-	-
Disposal/Adjustment	-	14.11	14.11
<b>As at 31 March, 2019</b>	-	<b>31,254.30</b>	<b>31,254.30</b>
<b>Accumulated Depreciation</b>			
As at 1 April, 2017	1.13	1,531.40	1,532.53
Depreciation charge	-	1,114.40	1,114.40
Accumulated depreciation on disposal	1.13	-	1.13
<b>As at 31 March, 2018</b>	-	2,645.81	2,645.81
Depreciation charge	-	941.08	941.08
Accumulated depreciation on disposal	-	-	-
<b>As at 31 March, 2019</b>	-	<b>3,586.88</b>	<b>3,586.88</b>
<b>Net carrying value</b>			
As at 31 March 2018	-	28,622.61	28,622.61
As at 31 March 2019	-	27,667.42	27,667.42

#### Notes:

- 1 Building includes leasehold premises of ₹ 27.50 million taken for a period of 99 years. The premium of ₹ 20.46 million is paid upfront with no further significant obligations.
- 2 The company is yet to register the title deeds of certain immovable properties aggregating to ₹ 213.94 million (land freehold ₹ 72.75 million, buildings ₹ 141.19 million) and Written down value of ₹ 180.71 million (land freehold ₹ 72.75 million, buildings ₹ 107.96 million).
- 3 For details of existence and amounts of restrictions on title, and property, plant and equipment pledged as security for liabilities refer Note 21 & 26.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 5 Non Current Investments (Face value of ₹ 10 each fully paid up unless otherwise specified)

	Number of shares	As at March 31, 2019	As at March 31, 2018
<b>A. Investments (Valued at deemed cost)</b>			
I. Equity Instruments			
i. Subsidiary Companies			
Unquoted			
Hindustan Dorr-Oliver Limited (face value ₹ 2each)	39,624,430	654.55	654.55
HDO (UK) Limited (Face value of GBP 1)	1,008,000	73.51	73.51
HDO Zambia Limited (Face value of ZMK 1)	50,000	0.05	0.05
First STP Private Limited		35.39	-
IVRCL International FZE	1	-	-
Chengapalli Road Infra ltd	10,000	0.10	0.10
IVRCL EPC LTD	5,000	-	0.50
IVRCL Gundugolanu Rajahmundry Tollways Limited (Subscribed during the year)		0.50	
Sapthashva Solar Limited (Subscribed during the year)		0.52	
		<b>764.62</b>	<b>728.71</b>
Less: Provision for impairment in value of investments		(728.11)	(728.11)
		<b>36.51</b>	<b>0.60</b>
ii. Associate bodies corporate			
IVRCL International Infrastructures & Projects LLC (Face value of Dhs. 1500 each)	49	0.91	0.91
IVRCL Indore Gujarat Tollways Limited#	33,395,982	4,203.97	4,203.97
II. Other than Equity instrument			
(i) Partnership firms			
Bhanu IVRCL Associates (50:50 Share between the Company and Bhanu Construction Co. Limited respectively)		0.01	0.01
IVRCL -Tantia Joint Venture(AOP) (50:50 Share between the Company and Tantia Construction Co. Limited respectively)		0.20	0.20
		<b>0.21</b>	<b>0.21</b>
Less: Provision for impairment in value of investments		(0.21)	(0.21)
		-	<b>(0.00)</b>
(ii) Investment in JV			
IVRCL - Navayuga & Sew		86.87	83.47
IVRCL - Sew & Prasad		52.76	50.06
IVRCL- CR18G (JV) Hyderabad		36.42	36.42
IVRCL - Sushee Joint Venture		1.90	1.90
IVRCL - BPL -UCC		2.72	2.72
IVRCL- KMB-HDO		5.10	5.10
		<b>185.77</b>	<b>179.67</b>



## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Number of shares	As at March 31, 2019	As at March 31, 2018
<b>B. Others -(valued at fair value through Profit and Loss)</b>			
<b>(i) Equity Shares</b>			
Unquoted			
Telcon Ecoroad Resurfaces Private Limited (Face Value of ₹ 100 each)	240,000	24.00	24.00
Rayalseema Expressway Private Limited	19,290	0.19	0.19
Tamilnad Mercantile Bank Limited	12,525	0.21	0.21
Others			
IOTL Utkal Energy Services Limited	97,000,000	302.80	302.79
Viva Infrastructures Private Limited	50,000	0.50	0.50
Paresh Infrastructure Private Limited	4,900	0.05	0.05
Telcon Construction Company Limited	4,800	-	-
		<b>327.75</b>	<b>327.74</b>
Less: Provision for impairment in value of investments		(22.20)	(22.20)
		<b>305.55</b>	<b>305.54</b>
<b>C. Investment in Mutual Funds (valued at fair value through Profit and Loss)</b>			
Union Bank of India Tax Saver Scheme		2.00	2.00
<b>D. Investment in Others</b>			
National Savings Certificates		0.01	0.01
		<b>4,734.72</b>	<b>4,692.70</b>

# w.e.f. September 07, 2017, the company lost the control over its former subsidiary 'IVRCL Indore Gujarat Tollways', as the subsidiary has issued shares to its lenders thereby bringing the holding of IVRCL below 50%.

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	5,485.24	5,443.22

The movement in provisions is as follows:

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	750.51	95.96
Opening provision made due to non-consolidation	-	654.55
Allowance for expected diminution in value during the year	-	-
Investment written off during the year	-	-
Balance as at end of the year	750.51	750.51

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 6. Trade Receivables- Non-current (Refer Note 40,44,47,57 & 61)

	As At March 31, 2019	As At March 31, 2018
Trade Receivables		
Considered Good -Unsecured	-	-
Trade Receivable which are Significant Credit Risk	4,449.10	2,955.55
Trade Receivable Credit Impaired	<b>3,701.15</b>	<b>3,267.78</b>
	8,150.25	6,223.33
Less: Allowance for Trade Receivables	3,701.15	3,267.78
	<b>4,449.10</b>	<b>2,955.55</b>

The movement in provision is as follows:

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	2,921.66	1,795.71
Allowance for doubtful receivables during the year	779.49	1,125.95
Trade receivables written off during the year	-	-
<b>Balance as at end of the year</b>	<b>3,701.15</b>	<b>2,921.66</b>

### 7. Others Financial Assets

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
(a) Other Receivable from contractee/clients (unsecured) (Refer Note 47)		
Considered Good	10,235.67	9,214.28
Considered Doubtful	1,893.98	161.70
	<b>12,129.65</b>	<b>9,375.98</b>
Less: Allowance for Doubtful Receivables	1,893.98	161.70
	<b>10,235.67</b>	<b>9,214.28</b>
(b) Interest on Term Deposit with Banks	0.26	-
(c) Claims Receivable	821.40	162.54
(d) Deposit with maturity Year of more than 12 months	<b>28.25</b>	<b>28.25</b>
(e) Interest accrued on loans and advances to related parties and others (Refer Note 71)	-	33.79
(f) Security Deposit	<b>56.11</b>	<b>60.55</b>
	<b>11,141.69</b>	<b>9,499.41</b>

The movement in provision is as follows:

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	161.70	161.70
Allowance for doubtful advances during the year	1,732.28	-
Advances written off during the year	-	-
<b>Balance as at end of the year</b>	<b>1,893.98</b>	<b>161.70</b>

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 8. Deferred Tax Asset (Net) (Refer Note 39 & 55)

	As At March 31, 2019	As At March 31, 2018
<b>(a) Deferred Tax Liabilities</b>		
Timing difference on account of Depreciation and Amortization	0.61	0.61
Financial Instruments	214.26	186.39
Others	9.77	9.77
	<b>224.64</b>	<b>196.77</b>
<b>(b) Deferred Tax Asset</b>		
Provision for employee benefits	2,760.43	2,760.43
Allowance for Doubtful debts, Advances and Deposits	1,787.68	1,785.77
Business Loss/Unabsorbed Depreciation	5,043.64	5,025.02
Other Comprehensive Income	64.69	65.02
Financial Instruments	325.58	325.58
MAT Credit Entitlement	2.82	1.84
	<b>9,984.84</b>	<b>9,963.66</b>
<b>Grand Total (b-a)</b>	<b>9,760.20</b>	<b>9,766.89</b>

### 9. Non-Current Tax Assets (Net)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Tax deducted at Source and Advance Tax (net of provisions)	967.39	1,012.09
	<b>967.39</b>	<b>1,012.09</b>

### 10. Other Non-Current Assets (Unsecured, Considered good)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
(a) Capital Advances	11.51	11.83
(b) Balances with Statutory / Government Authorities	2.68	3.07
(c) Receivable against sale of Development Rights (Refer Note 30.1)	1,523.13	1,523.13
(d) Capital Work in Progress / Intangible Asset (Under Claim)	2,245.11	2,246.47
(e) Other receivables	0.03	-
	<b>3,782.47</b>	<b>3,784.48</b>

### 11. Inventories (Refer Note 52)

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
(a) At Project sites - (at cost or under)		
Stores and Spares	545.16	684.84
Work-in-Progress	2,062.85	1,528.37
(b) At Factory - (at lower of cost and net realisable value)		
Raw Material and Stores and Spares	34.60	24.96
Finished Goods	26.66	11.39
Work-in-Progress	45.36	38.35
(c) Freehold Land	4,469.15	4,469.15
(d) Development Rights for Land	2,605.37	2,605.37
(e) Plots Stock	155.01	155.01
(f) Residential Properties	75.29	75.29
(g) Development Work-in-Progress	1,293.29	1,293.29
	<b>11,312.74</b>	<b>10,886.02</b>

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 12 Investments

	As At March 31, 2019	As At March 31, 2018
<b>Unquoted Investment carried at Fair Value</b>		
<b>Investment in Mutual Fund</b>		
ICICI Liquid Fund	4.82	-
BOI AXA Short Term Income Fund ( 1709373.20 units @ 18.9785)	-	32.41
BOI AXA Ultra Short Duration Fund (15210.081 units @ 2100.4048)	-	31.98
BOI AXA Arbitrage Fund 9,99,990 unit @ 13.9785 (Previous year Nil)	10.43	-
BOI AXA Ultra Short Fund 88,84,931 unit @ 2,262.4650 (Previous year Nil)	20.10	-
Reliance Liquid Fund Units 7936.175	36.20	44.10
Reliance Medium term Fund/ Prime Debt Fund Units 20,15,200.368	80.84	74.97
ICICI Short Term Plan Units 12,26,122.686	49.47	45.98
ICICI Money Market Fund Units 1,92,729.652	50.14	46.34
UTI Treasury Advantage Fund Units 31,008.205	80.68	74.84
Axis Banking & PSU Debt Fund Units 13,860.557	24.53	22.44
	<b>357.21</b>	<b>373.06</b>
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	<b>357.21</b>	<b>373.06</b>

## 13. Trade Receivables (Unsecured) (Refer Note 47, 50, 51,64 & 71 )

(₹ In Million)

	As At March 31, 2019	As At March 31, 2018
Trade Receivables		
Considered Good -Unsecured	723.67	
Trade Receivable which are Significant Credit Risk	10,178.84	12,852.68
Trade Receivable Credit Impaired	4,901.31	4,973.99
	<b>15,803.82</b>	<b>17,826.67</b>
<b>Less: Allowance for Doubtful Debts</b>	4,901.31	4,973.99
	<b>10,902.51</b>	<b>12,852.68</b>

The movement in provision is as follows:

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	5,169.60	5,040.05
Allowance for expected credit loss during the year	95.86	183.28
Trade Receivables written off during the year	(364.15)	53.73
Provision written back	-	303.07
<b>Balance as at end of the year</b>	<b>4,901.31</b>	<b>5,169.60</b>

## 14. Cash and Cash Equivalent (Refer Note 51 &64)

	As At March 31, 2019	As At March 31, 2018
Cash on Hand	25.62	13.06
Balances with Banks		
Current Accounts (Refer Note 50 & 64)	1,124.15	1,528.80
Deposits with maturity period of less than 3 months (Refer note no 15.1)	317.34	648.92
	<b>1,467.11</b>	<b>2,190.78</b>

Note:-

- 15.1. Deposits worth of ₹ 5.58 Million related to SPB Developers Private Limited held in Andhra Bank against the PWD land acquisition amount

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 15. Bank Balances Other than above

	As At March 31, 2019	As At March 31, 2018
<b>Earmarked Balances</b>		
Margin Money Deposit (Refer Note 15.1)	76.74	7.36
Unpaid Dividend Account (Refer Note 15.2)	0.10	0.10
Term Deposits (Refer Note 54)	91.22	91.22
Interest accrued on Term Deposit above	1.11	1.37
(b) Current Accounts Restricted by IT Department (Refer Note 54&55)	426.40	28.22
(c) Term Deposits with maturity period of more than 3 months but less than 12 months (Refer Note 15.3)	163.34	173.06
	<b>758.92</b>	<b>301.34</b>

15.1 Margin money deposit represents deposits with Banks against Guarantee issued by them.

15.2 Unpaid dividend account represents Cash and Cash equivalent deposited in unpaid dividend account and are not available for use by the Company other than for specific purposes. However, the bank has deducted certain bank charges from the unpaid dividend account. The company is in the process of depositing the requisite amount in the unpaid dividend account.

15.3 Margin money deposit represents deposits with Banks against Guarantee issued by them.

### 16. Others Financial Assets

	As At March 31, 2019	As At March 31, 2018
a) Non Current Assets held for Sale : (Refer Note 16.1)		
I. Investment in Equity Shares of Associates- Unquoted Sushee - IVRCL Arunachal Highway Limited	247.00	247.00
II. Investment in Other Companies Rayalseema Expressway Private Limited (Debentures Face Value of ₹ 1,482 each)	131.03	131.03
(b) Other Receivables	141.81	142.01
(c) Interest Accrued on Fixed Deposits	25.02	13.08
(d) Receivable from Related Parties (Refer Note 49, 64 & 71)		
- Subsidiaries	261.63	261.63
- Associates	62.57	62.23
- Joint ventures	933.93	808.73
- Directors	10.34	10.34
	1,268.48	1,142.94
- Considered Good	795.32	669.79
- Considered Doubtful	473.16	473.16
	1,268.48	1,142.95
Less: Allowance for Doubtful Trade Receivables	473.16	473.16
(e) Other Deposits	369.48	279.97
(f) Interest accrued on loans and advances to related parties and others	38.03	-
(g) Others	2.18	-
	<b>1,749.87</b>	<b>1,482.86</b>

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



The movement in provisions is as follows:

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	473.00	145.84
Allowance for doubtful loans & Advances during the year	0.16	327.16
Loans & Advances written off during the year	-	-
<b>Balance as at end of the year</b>	<b>473.16</b>	<b>473.00</b>

16.1 The company has entered into share purchase agreement with two buyer Companies for sale of equity shares and Debentures/equity shares on conversion of such debentures into equity respectively on achieving COD of the respective project implemented by such companies. The Company has received equal amount of advance against sale of such investment from the respective buyer companies, such advance is classified under liability held for sale. (Refer Note 28)

### 18. Current Tax Assets (net)

	As At March 31, 2019	As At March 31, 2018
Income tax Receivable	357.48	-
	<b>357.48</b>	-

### 18. Other Current Assets

	As At March 31, 2019	As At March 31, 2018
<b>(a) Unbilled Revenue (Refer Note 47 )</b>	11,322.29	12,077.39
(b) Prepaid Expenses	58.07	83.47
(c) Other Deposits		
(d) Advance to Sub-Contractors and Suppliers (Unsecured) (Refer Note 49 & 71)		
Considered good	1,915.80	2,018.45
Considered Doubtful	<b>192.27</b>	<b>192.27</b>
	2,108.07	2,210.72
Less: Allowance for Doubtful Advances	192.27	192.27
	1,915.80	2,018.45
(e) Others		
Considered good	2.91	12.61
Considered Doubtful	<b>84.72</b>	<b>84.72</b>
	87.63	97.33
Less: Allowance for Doubtful Advances	84.72	84.72
	2.91	12.61
(e) Balances with Statutory / Government Authorities (Refer Note 53)		
Considered Good	2,346.14	2,859.03
Considered Doubtful	<b>225.73</b>	<b>225.73</b>
	2,571.88	3,084.76
Less: Allowance for Doubtful Advances	225.73	225.73
	2,346.14	2,859.03
	<b>15,645.22</b>	<b>17,050.95</b>

The movement in provision is as follows:

	As At March 31, 2019	As At March 31, 2018
Balance as at beginning of the year	502.72	616.88
Allowance for doubtful debts/advances during the year	-	-
Advances written off during the year	-	114.16
<b>Balance as at end of the year</b>	<b>502.72</b>	<b>502.72</b>

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 19 Share Capital

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised :</b>				
Equity Shares of ₹ 2 each	1,625,000,000	3,250.00	1,625,000,000	3,250.00
Preference shares of ₹ 2 each	25,000,000	50.00	25,000,000	50.00
	<b>1,650,000,000</b>	<b>3,300.00</b>	<b>1,650,000,000</b>	<b>3,300.00</b>
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹ 2 each fully paid up	782,897,692	1,565.80	782,897,692	1,565.80
	<b>782,897,692</b>	<b>1,565.80</b>	<b>782,897,692</b>	<b>1,565.80</b>

### 19.1 Reconciliation of the Number of and Amount of Shares Outstanding at the Beginning and at the End of the Reporting Year

	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the Year	782,897,692	1,565.80	782,897,692	1,565.80
Add : Issued during the Year (refer note 20.4)	-	-	-	-
Outstanding at the end of the Year	<b>782,897,692</b>	<b>1,565.80</b>	<b>782,897,692</b>	<b>1,565.80</b>

### 20.2 Terms/Rights attached to Equity Shares

The equity shares of the Company having par value of ₹ 2 per share rank pari passu in all respect including voting right and entitlement to dividend. Repayment of the capital in the event of the winding up of the Company will inter alia be subject to the provisions of the Companies Act, 2013, the Articles of the Association of the Company or as may be determined by the Company in general meeting prior to such winding up.

### 19.3 Shareholders Holding more than 5% Shares of the Company

Name of the Share Holder	No of Shares as at March 31, 2019	% Shareholding	No of Shares as at March 31, 2018	% Shareholding
ICICI Bank Ltd	62,486,020	7.98	62,486,020	7.98
Indian Overseas Bank	62,547,429	7.99	62,547,429	7.99
Canara Bank	55,521,825	7.09	55,521,825	7.09
IDBI Bank Ltd	52,810,191	6.75	52,810,191	6.75
State Bank of India	49,409,934	6.31	49,409,934	6.31

### 21. Other equity

	As At March 31, 2019	As At March 31, 2018
(a) Retained Earnings	(66,961.84)	(47,943.17)
(b) Securities Premium Account	17,852.27	17,852.27
(c) Capital Reserve	2,577.82	2,577.82
(d) General Reserve	8,637.59	8,637.59
(e) Debenture Redemption Reserve	500.00	500.00
(f) Foreign Exchange Translation Reserve	(22.20)	(4.29)
(g) Other Comprehensive Income	(123.54)	(121.29)
(h) Business Restructuring Reserve	271.37	271.35
	<b>(37,268.53)</b>	<b>(18,229.73)</b>



# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## Nature and purpose of reserves

- a. Retained earnings: Retained earnings comprise of the loss net of profit of the Company earned till date net of distributions and other adjustments.
- b. Securities Premium: The amount of difference between the issue price and the face value of the shares is recognized in Securities premium reserve.
- c. Capital Reserve: Pursuant to the Composite Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 between the Company, IVRCL Assets & Holdings Limited (IVRCL A&H), RIHIM Developers Private Limited (RDPL) and IVRCL TLT Private Limited (IVRCL TLT) and their respective shareholders, which was sanctioned by the Hon'ble High Court of Andhra Pradesh in earlier year, the excess of assets over liabilities has been credited to Capital Reserve.
- d. General Reserve: General Reserve is the accumulation of the portions of the net profits transferred by the Company in the past years pursuant to the earlier provisions of the Companies Act, 1956.
- e. Debenture redemption reserve: The Company is required to create a debenture redemption reserve out of the profits which are available for payment of dividend to be utilised for the purpose of redemption of debentures in accordance with the provisions of the Act.
- f. Foreign Exchange Translation Reserve: Exchange difference arising on translation of the foreign operation is accumulated in separate reserve within equity.
- g. Other items of other Comprehensive Income: The Company has recognized remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity.
- h. Business Restructuring Reserve: Pursuant to the Composite Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 between the Company and IVRCL Limited and their respective shareholders, which was sanctioned by the Hon'ble High Court of Andhra Pradesh in earlier year, the excess of assets over liabilities has been credited to Capital Reserve.

## 23. Borrowings (Refer Note 37, 43, 44 & 58)

	As At March 31, 2019	As At March 31, 2018
<b>i) Secured</b>		
Term Loans		
From Banks	12,872.45	13,741.17
From Others	744.06	582.17
<b>ii) Secured</b>		
Compulsorily Convertible Debentures	-	-
	<b>13,616.51</b>	<b>14,323.34</b>

### 21.1 SALEM TOLLWAYS LIMITED

- (i) Security terms : The term loan is secured by pari pasu first charge on all the borrowers immovable properties present and future and intangible assets, movables, machineries, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets(present & future), operating cash flows, book debts, receivables including grant, revenue shortfall loan to be received from NHAI and any other revenues relating to 4 laning of Salem kumarapalayam Chengapalli section of NH-47 from km 0 to km 53 in the state of Tamil Nadu on BOT Toll basis, Borrowers bank account, Escrow Account, DSRA and each of any other accounts required to be created by the Borrower under any Project document or contract and Insurance contracts.
- (ii) Terms of Interest : Interest payable to lenders on monthly basis. The interest rates shall be subject to annual reset.
- (iii) Terms of repayment : Total Senior Debt was availed of INR 2,228.30 Million and repayment of the loan was started from August 31, 2010 with total 138 unequal monthly installments ranging from 1.85 Million to INR 32.49 Million and the Sub Debt was availed of INR 200.00 Million and repayment of loan was started from February 28, 2011 with total 156 unequal monthly installments ranging from INR 0.16 Million to 2.16 Million.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 21.2 KUMARAPALAYAM TOLLWAYS LIMITED

- (i) Security terms: The term loan along with Funded Interest Term Loan(FITL) is secured by pari pasu first charge on all the borrowers immovable properties and assets both present and future, movables including plant & machinery, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets machinery spares, excluding crushers, operating cash flows, book debts, receivables including grant, revenue shortfall loan to be received from NHAI and any other revenues whatsoever nature and wherever arising present and future subject to charge of working capital lenders on operating cash flows subject to the amount of their loans not exceeding INR 20.00 Million. Borrowers bank account including without limitation the escrow account, major maintenance reserve account, DSRA and each of any other accounts required to be created by the Borrower under any Project document or contract, first charge on all intangibles assets, security interest in project document and contracts, and insurance proceeds. Pursuant to the approved restructuring scheme by the consortium lenders, additional security has been provided for including the personal guarantee of Mr. E Sudhir Reddy, promoter of IVRCL Group for outstanding term loan and FITL along with pledge of 51% of shares held by the Promoters.
- (ii) Terms of Interest : Interest payable to lenders on monthly basis. The interest rates shall be subject to annual reset. Prenet rate of interest rate from 11.5 to 16.65%.
- (iii) Terms of Repayment:
- (a) Existing Term Loan : As per restructuring agreement Term loans shall be repaid after a moratorium of 23 months from cut-off date in 36 structured quarterly installments of commencing from quarter ending September 30, 2016, ranging from 0.5% to 9.25% of principle outstanding as on cut-off date.
- (b) Funded Interest Term Loan (FITL) : As per restructuring agreement, The FITL shall be repaid after a moratorium of 11 months from cut-off date in 19 structured quarterly installments of commencing from quarter ending September 30, 2015, ranging from 3.33% to 9.25% of FITL principle.
- (i) Period and amount of Default in repayment of borrowing and Interest :
- Bank of Baroda :Interest due for 31 days amounting of INR 0.52 million
- \*State Bank of India:
- Interest due for 31 days amounting of INR 5.14 million  
Interest due for 59 days amounting of INR 5.66 million  
Interest due for 90 days amounting of INR 5.57 million
- \*Interest is due to dispute between bank and company as SBI is charging higher rate of interest as compare to consortium rate of interest."

## 21.3 Jalandhar Amritsar Tollways Limited

- (i) Security terms :The term loan is secured by pari pasu first charge on all the borrowers immovable properties and assets, both present and future, movables including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets (present & future) operating cash flows, book debts and receivables including grant, revenue shortfall loan to be received from NHAI and any other revenues of whatsoever nature and where ever arising, present and future, bank accounts including without limitation the escrow account and debt service reserve account and each of the other accounts required to be created by the barrower under any project document or contract, all intangibles present and future. A first charge by way of assignment or creation of security interest in all the right, title, interest, benefits, claims and demands whatsoever in the project document and contracts, clearances, letter of credit, guarantees, performance bond and liquidity damages provided by any party to the project documents and all insurance contract and insurance proceeds.
- As per terms of the restructured debt, in addition to the existing terms of security under the common rupee loan agreement, Corporate Guarantee is provided by IVRCL Limited to secure the outstanding obligations.
- (ii) Terms of interest: Interest payable to lenders on monthly basis . The interest rates ranges between 10.50% to 10.65%, shall be subject to annual reset.
- (iii) Terms of repayment : The debt outstanding of INR 1638.30 Million as on 30.06.2013 was restructured and revised repayment of the loan commenced from December 31, 2013 with 47 unequal quarterly installments ranging from INR 1.00 Million to INR 102.50 Million.
- (iv) Period and amount of Default in repayment of borrowing and Interest :
- SBBJ :Interest due for 31 days amounting of INR 1.29
- Canara Bank:
- Interest due for 31 days amounting of INR 2.78  
Interest due for 59 days amounting of INR 0.76

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 21.4 IVRCL CHENGAPALLI TOLLWAYS LIMITED

- (i) Security terms: Except project assets, the term loan is secured by pari pasu first charge on all the borrowers movables and immovable, machineries, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets (present & future), operating cash flows, book debts, receivables, revenue shortfall loan to be received from national highways authority of India (NHAI) and any other revenues relating to 6 laning from km 102.035 to km 144.680 on the Chengapalli to start of Coimbatore bypass and 4 laning from km 170.880 to km 183.010 on the end of Coimbatore bypass to Tamilnadu/Kerala border section of NH-47 on BOT toll basis, borrowers bank account, escrow Account, DSRA and each of any other accounts required to be created by the Borrower under any Project document or contract and Insurance contracts.
- (ii) Pledge of 51% of the shares of the company held by the sponsors up to the second anniversary of the commercial operation date (COD) and 26% thereafter.
- (iii) Terms of interest: Interest payable to lenders on monthly basis at rates linked to their respective base rates plus applicable spread (except Andhra bank whose applicable interest rate shall be linked to the base rate of lead bank). The interest rates shall be subject to annual reset from scheduled COD or actual COD whichever is earlier.
- (iv) Terms of repayment :
  - (a) Existing Term Loan : Term loans are repayable in 44 unequal quarterly installments commencing from June, 2019 and shall end March, 2030 ranging from 0.30 % to 17.60% of sanctioned term loan.
  - (b) Loan B : Term loans are repayable in 44 unequal quarterly installments commencing from June, 2019 and shall end March, 2030 ranging from 0.30 % to 17.60% of sanctioned term loan.

## 21.5 CHENNAI WATER DESALINATION LIMITED

- (I) Security terms for term loans (Domestic and foreign):
  - (i) A First Charge by way of mortgage of all the immovable properties of the company, present and future.
  - (ii) First Charge by way of hypothecation of all movable (tangible and Intangible) including movable plant and machinery, machinery spares, tools and accessories, furniture, vehicles and all other movable assets present and future.
  - (iii) First Charge on all book debts, operating cash flow, revenues and receivables, uncalled capital of the company, present and future including by way of a charge on the Trust and Retention Account II Debt Service Reserve account and other reserve and bank accounts of the Company subject only to the charge of working capital lenders for their loans to the extent of INR 100.00 Million to the project on the operating cash flows.
- (II) Terms of Interest: Interest payable to domestic lenders on monthly basis and foreign lender on quarterly basis. The Interest rates on domestic loan shall be subject to annual reset. Interest rate on foreign lender carrying of LIBOR +2.25%
- (III) Terms of repayment: loan from Indian lenders availed of, was INR 3,000.00 Million. Repayment of the loan commenced from May 31,2010 with 117 equal monthly installments and the loan from foreign lender availed of, was Euro 14.05 Million . Repayment of loan commenced from December 31, 2009 with 40 quarterly equal installments.

## 21.6 IVRCL Patalganga Truck Terminals Private Limited

- (a) Based on reschedulement of Indian Rupee Loan from Tamilnad Mercantile Bank which carries interest @ BR + 2.50% (13.25%), the loan is repayable in 44 quarterly installments commencing from June 30, 2016. The loan is secured by way of first charge of all the book-debts, operating cash flows, revenues and receivables of the Company, present and future including by way of charge on the escrow account, retention account, debt service reserve account and other reserves and bank accounts of the Company wherever maintained and the collateral security is equity mortgage on leased Land to the extent of 12.84 acres valued ₹ 107.50 Million and building and structure to be constructed at an estimated cost of ₹ 307.90 Million The total security value is ₹ 415.40 Million
- (b) Sponsor loan from holding company is interest free. There is no repayment schedule for the above said loan.

## 22. Other Financial Liabilities

	As At March 31, 2019	As At March 31, 2018
Grant Payable to the Government Authority	553.56	1,463.56
	<b>553.56</b>	<b>1,463.56</b>

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 23. Provisions (Refer Note 60 & 65)

	As At March 31, 2019	As At March 31, 2018
(a) Employee Benefit Payable	52.12	69.17
(b) Resurfacing Obligation	1,065.73	958.12
	<b>1,117.86</b>	<b>1,027.29</b>

## 24. Deferred Tax Liabilities (Net)

	As At March 31, 2019	As At March 31, 2018
Deferred Tax Liabilities		
Other Comprehensive Income	-	3.21
Others	-	-
	-	<b>3.21</b>

## 25. Other-Non Current Liabilities

	As At March 31, 2019	As At March 31, 2018
Deferred Grant Revenue	52.12	69.17
	<b>1,117.86</b>	<b>1,027.29</b>

## 26. Short Term Borrowings (Refer Note 45, 50 & 64)

	As At March 31, 2019	As At March 31, 2018
<b>Secured</b>		
<b>Loans repayable on demand from Banks</b>		
(a) Cash Credits, Working Capital Term Loan, Priority Debt and Term Loan from consortium of Banks	61,089.55	55,008.94
(b) Project - Specific Working Capital Loans	2,621.40	2,621.40
(c) Funded Interest Term Loan	51.95	51.95
(d) Debentures		
- 12.15% Redeemable, Non-Convertible Debentures	2,000.00	2,000.00
<b>Unsecured</b>		
(a) Cash Credits, Working Capital Demand Loans and Other Credit Facilities from Banks	5,359.68	3,246.34
(b) Others	1,645.20	1,658.62
	<b>72,767.78</b>	<b>64,587.25</b>

### 26.1 IVRCL Limited

- 1 In reference of Note 26.1 and pursuance of repayment schedule stipulated in the sanction letter, the entire amount of borrowing including interest are overdue and continuing default as on March 31, 2019, therefore, periods of default are not being calculated and presented herewith. Details of defaults in repayment of borrowing and interest are given below;

	Principal	Interest
Cash Credit	39,058.30	4,320.79
Working Capital Term Loan	14,850.61	10,015.59
Priority Debt	1,226.48	788.00
Term Loan	5,954.17	3,739.89
Project Specific Loan	434.50	478.90
Funded Interest on Term Loan	51.95	321.78
12.15% Redeemable, Non Convertible Debentures	2,000.00	1,909.94
Others	1,645.20	-
Working Capital Demand Loan & Other Facilities from Bank	5,359.68	425.01

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 26.2 Details of Security

Cash Credits and Working Capital Demand Loan from Consortium Banks

### (a) Cash Credit

Cash Credits and Working Capital Demand Loans are secured by hypothecation of book debts, inventories and other current assets (excluding those charged to lenders of specific-funding projects). Further these loans are secured by mortgage of property in Land and Buildings owned by the Company ranking pari passu among the consortium banks aggregating to ₹ 101.54 million and lien of the Fixed Deposit of ₹ 4.20 million. The loans are Second Charged on current assets of the specific-funding projects on reciprocal basis. Cash Credit of IDBI amounting to ₹ 1,754.50 million is further secured by first and exclusive charge on all present and future fixed assets and current assets, except lease rights of the lease hold land of IVRCL TLT Private Limited, a subsidiary of the company.

### (b) Working Capital Term Loan

WCTL - I is secured by first paripassu charge on fixed assets excluding the exclusive security given to various lenders book debts beyond the cover period and non-current assets excluding retention money and investments. Second paripassu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future.

### (c) Priority Debt

₹ 1,226.48 million (₹ 1,226.48 million) has been availed out of ₹ 1,750.00 million Priority Debt sanctioned. Priority Debt is secured by first paripassu charge on fixed assets excluding the exclusive security given to various lenders, book debts beyond the cover period and non-current assets excluding retention money and investments. Second paripassu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future.

### (d) Term Loans from Banks

#### (i) ICICI Bank

The loan amount of ₹ 1,627.51 million (₹ 1,627.51 million), is secured by first and exclusive hypothecation charge over specific fixed assets of the Company including freehold land.

#### (ii) IndusInd Bank

The loan amount of ₹ 714.89 millions (₹ 714.89 million), is secured by equitable mortgage of land and pledge of certain equity shares held in subsidiaries, as per the terms of sanction letter.

#### (iii) Punjab & Sind Bank

Secured by first and exclusive hypothecation charge over specific fixed assets of the Company. The balance outstanding as at March 31, 2019 is ₹ 56.99 million (₹ 56.99 million), which is overdue.

#### (iv) AXIS Bank

Out of loan amount of ₹ 304.69 million (₹ 304.69 million), ₹ 46.50 million was secured by specific equipments.

#### (v) Nova Scotia

The loan amount of ₹ 250.00 million is secured by mortgage of freehold land.

#### (vi) TATA Capital Financial Services Limited

The loan amount of ₹ 133.33 million is secured by mortgage of freehold non-agricultural land.

Equitable mortgage over Club House bearing Sy. No. 25, Hill Ridge Springs, Gachibowli, Hyderabad, 2) value of pledge of 29.7% shares of IVRC Salem Tollways Limited and 29.7% shares of IVRCL in Kumarapalyam Tollways Limited

#### (vii) SREI Equipment Finance Private Limited

The loan amount of ₹ 1,199.63 million (₹ 1,199.63 million) is secured by first charge by way of hypothecation of specific movable assets.

#### (viii) Standard Chartered Bank (External Commercial Borrowings)

Secured by First charge on exclusive hypothecation of construction equipment procured out of loan amount.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



(ix) Union Bank of India

Secured by first and exclusive hypothecation charge over specific fixed assets of the Company. The balance outstanding as at March 31, 2018 is ₹ 879.52 million (₹ 985.50 million), which is overdue.

## II Project Specific Working Capital Loan from Banks

Project Specific Working Capital Loan from Banks are secured by hypothecation of book debts and inventory and other current assets of respective projects.

## III Funded Interest Term Loan

The interest due and accrued on Term Loan, Non-Convertible Debentures, Short Term Loans, Equipment Term Loans, CGTL, WCTL-I, WCTL-II facilities from Cut-off-Date to till September 30, 2015 was to be funded and converted into a Funded Interest Term Loan. The proposed FITL along with accrued interest was to be converted into equity based on the earlier CDR regulatory guide lines.

## IV 12.15% Non-Convertible Debentures

2,000 Debentures of ₹ 1,000,000 each issued to Life Insurance Corporation of India during the year 2008-09. The debentures were due for redemption at the end of five years (i.e., December 19, 2013) from the date of allotment. The debentures are secured by way of first pari passu charge over certain specific fixed assets including immovable properties of the Company. IDBI Trusteeship Services Limited, Mumbai were the trustees for the debenture holders in respect of the non-convertible debentures.

## V Promotors Guarantee (Additional Security)

On the failure of the Company to pay and/or discharge any of its Guaranteed Obligations in full, or in part or on failure to comply with its obligations under the CDR Documents, the Promotor shall, unconditionally and irrevocably, upon demand raised by the Security Trustee, pay to the Security Trustee without demur or protest, forthwith, the amount stated in the demand certificate, as if he was the primary obligator and principal debtor and not merely as surety in respect of that amount, the amount stated in the demand certificate (the "Demand Certificate", in the form and manner set out in Deed of Guarantee, which shall mean any demand made by the Security Trustee on the Promotor, thereby invoking this Guarantee)

## 26.3 SPB Developers Private Limited

- (A) Financial Restructuring: During the earlier year, Andhra Bank vide letter dt. March 30, 2015, has approved the company's financial restructuring package in respect of term loans and interest effective from January 01, 2015.
- (B) Security terms : (i) A First Charge of all the Book Debts, Operating Cash Flows, Revenues and Receivables of the Company, present and future including by way of a charge on the Escrow A/c, Retention A/c, Debt Service Reserve A/c and Other reserves and Bank A/cs of the company, wherever maintained. (ii) A First Charge on the Escrow A/c, Debt Service Reserve A/c and Other Reserves and any other bank A/cs of the company, wherever maintained. (iii) A First Charge on all Intangibles of the Company including but not limited to Goodwill, Uncalled Capital, Present and Future. (iv) Pledge of 51% shares of the Company held by the Sponsors up to the third anniversary of the COD and 26% of the shares of the Company thereafter. The Shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract/arrangement including Shareholder Agreement, Joint Venture Agreement, Financing Agreement with regard to Pledge/Transfer of the shares including transfer upon enforcement of the pledge sec 19 of Banking Regulations Act to be ensured. Pursuant to the approved restructuring scheme by the consortium lenders, additional security has been provided for including the personal guarantee of Mr. E Sudhir Reddy, promoter of IVRCL Group for outstanding term loan and FITL along with pledge of 51% of shares held by the Promoters.
- (C) Terms of repayment : (i) Existing Term Loan : Repayment of term loan will commence from March 31, 2018 with 44 Quarterly unequal Installments ranging from 0.25% to 5.33% of term loan. Term loan drawn up to March 31, 2018 is INR 1,910.30 million (Previous year - INR 1,910.30 million) out of total term loan of INR 1,910.30 million (ii) FITL: Repayment of funded interest term loan will commence from March 31, 2018 with 25 Quarterly unequal Installments ranging from ₹ 1.40 million to INR 99.60 million. FITL drawn up to March 31, 2018 is INR 27.66 million (Previous year - INR 27.66 million out of total FITL of INR 27.66 million).

During the year, Andhra Bank ("the lender") has sent demand notice dated May 25, 2017 of initiating recovery proceedings under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. Subsequently, the lender has filed an application before Debt Recovery Tribunal (DRT) under Section 19 of the Recovery of Debt due to Banks and Financial Institutions Act 1993 dated August 18, 2017.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 27. Trade Payables (Refer Note 49,50,64,68 & 71)

	As At March 31, 2019	As At March 31, 2018
(a) Total Outstanding Dues to Micro, Small and Medium Enterprise	8.01	28.00
(b) Other Outstanding Dues of Creditors other than Micro, Small and Medium Enterprise	13,980.84	12,862.83
	<b>13,988.86</b>	<b>12,890.83</b>

### 28 Other financial Liabilities (Refer Note 16, 17, 49, 50, 64, 68 & 71 )

	As At March 31, 2019	As At March 31, 2018
(a) Current maturities of Long-Term Borrowings	6,654.64	5,603.15
(b) Unpaid debentures and interest accrued thereon	62.38	1,312.28
(c) Interest accrued but not due on Borrowings	21.62	4.58
(d) Interest accrued and due on Borrowings	24,793.97	17,128.01
(e) Payable to Related Parties	418.46	1,136.40
(f) Payable on purchase of Fixed Assets	15.59	35.32
(g) Accrued Salaries and Employee Benefits	173.07	182.80
(h) Interest on amounts due to Micro, Small and Medium Enterprises	27.00	27.00
(i) Other financial liabilities related with non-current assets held for sale	378.03	378.03
(j) Claims payable to client	419.57	237.94
(k) Security Deposit	13.17	13.42
(l) Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956		
Unclaimed Dividends	1.10	1.10
(m) Others	3,356.77	15.37
	<b>36,335.37</b>	<b>26,075.40</b>

#### 28.1 Liabilities related with non-current assets held for sale includes secured loan of ₹ 400.00 million from TATA Capital Financial Services Limited. Security terms are as given below:

Secured by pledge of shares of following subsidiaries and subservient charge on the current assets.

- (i) 29.70% shares of Salem Tollways Limited
- (ii) 23% stake in Kumarpalyam Tollways Limited

The loan is repayable in one installment. The rate of interest is 14.25% p.a. And the balance outstanding as at March 31, 2019 is ₹ 400.00 million (previous year: ₹ 400.00 million).

#### 28.2 Compulsorily Convertible Debentures

##### IVRCL Chengapalli Tollways Limited

“Compulsorily Convertible Debentures (CCDs) were issued to IFCI Limited, to part finance the Project of the company. The tenure of the CCDs is 6 years from the date of disbursement which is extended for additional 2 years vide the restructuring mechanism sanctioned by the IFCI. The cut off date for the restructuring scheme is June 30, 2014. Further a moratorium of 2 years has been provided for the coupon payment from June 30, 2014 to June 30, 2016, which shall form part of the overall IRR payable to the IFCI. The indicative coupon rate is 11% p.a. payable half yearly subject to overall yield to the lender @ 15.75% p.a. IVRCL Limited (the sponsor) shall be liable to meet the obligation of making the coupon payments. CCDs are secured by pledge of shares of the company held by the Sponsor amounting to 49% of the paid up equity share capital, to be maintained throughout the tenure of the CCDs and subservient charge on the senior lender assets excluding pledge of shares and corporate guarantee by IVRCL Limited for INR 1250 Million. Further the additional security in the form of land aggregating to Acres 9.9 located in Vedurvada Village, Atchutapuram Mandal, Vishakhapatnam District has been provided and equitable mortgage has been created favoring IFCI by deposit of title deeds. The sponsor shall have a call option and IFCI, a put option on the sponsor for buy out of the CCDs as per the terms specified. The company had entered OTS with IFCI Limited vide letter dated 22/03/2017. According to which the liabilities for



# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



debentures was to be settled upto 31st march 2017. However company could not settle dues pertaining to debentures till date”

## IVRCL CHENGAPALLI TOLLWAYS LIMITED

- (i) Security terms: Except project assets, the term loan is secured by pari pasu first charge on all the borrowers movables and immovable, machineries, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets (present & future), operating cash flows, book debts, receivables, revenue shortfall loan to be received from national highways authority of India (NHAI) and any other revenues relating to 6 laning from km 102.035 to km 144.680 on the Chengapalli to start of Coimbatore bypass and 4 laning from km 170.880 to km 183.010 on the end of Coimbatore bypass to Tamilnadu/Kerala border section of NH-47 on BOT toll basis, borrowers bank account, escrow Account, DSRA and each of any other accounts required to be created by the Borrower under any Project document or contract and Insurance contracts.
- (ii) Pledge of 51% of the shares of the company held by the sponsors up to the second anniversary of the commercial operation date (COD) and 26% thereafter.
- (iii) Terms of interest: Interest payable to lenders on monthly basis at rates linked to their respective base rates plus applicable spread (except Andhra bank whose applicable interest rate shall be linked to the base rate of lead bank). The interest rates shall be subject to annual reset from scheduled COD or actual COD whichever is earlier.
- (iv) Terms of repayment :
  - (a) Existing Term Loan : Term loans are repayable in 44 unequal quarterly installments commencing from June, 2019 and shall end March, 2030 ranging from 0.30 % to 17.60% of sanctioned term loan.
  - (b) Loan B : Term loans are repayable in 44 unequal quarterly installments commencing from June, 2019 and shall end March, 2030 ranging from 0.30 % to 17.60% of sanctioned term loan.

## 28.3 CHENNAI WATER DESALINATION LIMITED

- (I) Security terms for term loans (Domestic and foreign):
  - (i) A First Charge by way of mortgage of all the immovable properties of the company, present and future.
  - (ii) First Charge by way of hypothecation of all movable (tangible and Intangible) including movable plant and machinery, machinery spares, tools and accessories, furniture, vehicles and all other movable assets present and future.
  - (iii) First Charge on all book debts, operating cash flow, revenues and receivables, uncalled capital of the company, present and future including by way of a charge on the Trust and Retention Account II Debt Service Reserve account and other reserve and bank accounts of the Company subject only to the charge of working capital lenders for their loans to the extent of INR 100.00 Million to the project on the operating cash flows.
- (II) Terms of Interest: Interest payable to domestic lenders on monthly basis and foreign lender on quarterly basis. The Interest rates on domestic loan shall be subject to annual reset. Interest rate on foreign lender carrying of LIBOR +2.25%
- (III) Terms of repayment: loan from Indian lenders availed of, was INR 3,000.00 Million. Repayment of the loan commenced from May 31,2010 with 117 equal monthly installments and the loan from foreign lender availed of, was Euro 14.05 Million . Repayment of loan commenced from December 31, 2009 with 40 quarterly equal installments.

## 28.4 IVRCL Patalganga Truck Terminals Private Limited

- (a) Based on reschedulement of Indian Rupee Loan from Tamilnad Mercantile Bank which carries interest @ BR + 2.50% (13.25%), the loan is repayable in 44 quarterly installments commencing from June 30, 2016. The loan is secured by way of first charge of all the book-debts, operating cash flows, revenues and receivables of the Company, present and future including by way of charge on the escrow account, retention account, debt service reserve account and other reserves and bank accounts of the Company wherever maintained and the collateral security is equity mortgage on leased Land to the extent of 12.84 acres valued ₹ 107.50 Million and building and structure to be constructed at an estimated cost of ₹ 307.90 Million The total security value is ₹ 415.40 Million
- (b) Sponsor loan from holding company is interest free. There is no repayment schedule for the above said loan.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 28.5 Other financial liabilities held for sale includes secured loan of ₹ 400.00 million from TATA Capital Financial Services Limited. Security terms are as given below:

Secured by pledge of shares of following subsidiaries and subservient charge on the current assets.

- (i) 29.70% shares of Salem Tollways Limited
- (ii) 23% stake in Kumarpalyam Tollways Limited.

The loan is repayable in one installment. The rate of interest is 14.25% p.a. and the balance outstanding as at March 31, 2017 is ₹ 400.00 millions (₹ 400.00 million)."

### 28.6 IVR Hotels & Resorts

- (a) The land held by the company and development rights received from various land companies has been mortgaged to the bankers of the Company and lenders of IVRCL Limited (holding Company) for securing various credit facilities, to the extent of 260 and 152 acres respectively. During the year IVRCL Limited (holding Company) had moved to strategic Debt Restructuring ('SDR') by it's bankers. The management of the Company is confident in holding company financial ability to service its debts, however, a group of the shareholder of the company raised objection over such mortgage. The management of the company is in consultation with group of share holders to resolve the issue. Further, the company has made a provision of ₹ 41.08 million towards interest on term loan obtained from Central Bank of India, which has not debited interest due to classification of said loan by the bank as Non Performing Assets.
- (b) The whole amount of Current Maturities of long term borrowings consists continuing defaults as at 31.03.2018. Such secured Term loan was obtained from Central Bank of India secured by exclusive charge on underlying project property (Land & Structure) and exclusive charge on all present and future receivable of underlying project, carries variable interest rate of bank's base rate + 3.5% and is repayable in 12 quarterly installments after a principal moratorium period of 4 years from the date of first disbursement viz . September 26, 2012. The bank has initiated recovery proceedings under Securitisation And Reconstruction of Financial Assets and Enforcement of Security Interest act, 2002 in respect of outstanding loan as at end of the year plus interest and costs thereafter.

### 29. Other Current Liabilities

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Advances received from Contractee-Clients (Refer Note 71)	3,005.48	2,783.31
(b) Amounts payable in respect of Development Rights (Refer Note 30.1)	1,446.53	1,446.53
(c) Statutory Remittances	1,748.64	2,253.70
(d) Interest accrued on others	522.52	445.19
(e) Others	0.76	2.25
	<b>6,723.93</b>	<b>6,930.96</b>

30.1 Amount payable is pertaining to land parcels/development rights sold in earlier years. The Company has obligation to pay the consideration to original allotting authority, If the buyer fails to make payment to the authority. Company is entitled to recover such payments from the buyer. So far the Company has not received any demand from the authority in respect of any demand/liability not paid by the buyer. however, as a matter of prudence the liability payable and corresponding recoverable has been recognized in the books.

30.2 Amount payable is pertaining to land parcels/development rights sold in earlier years. The Company has obligation to pay consideration to original allotting authority, if the buyer fails to make payment to the authority. Company is entitled to recover such payments from the buyer. So far the Company has not received any demand from the authority in respect of any demand/liability not paid by the buyer. However, as a matter of prudence the liability payable and corresponding recoverable has been recognized in the books.

### 30. Provisions (Refer Note 60 & 65)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Employee benefit payables	57.06	82.15
(b) Provision for foreseeable loss	1,329.00	1,329.00
(c) Resurfacing obligation	1,130.64	1,130.64
(d) Others	1.03	
	<b>2,517.74</b>	<b>2,541.79</b>

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 31. Current Tax Liabilities (Net)

	Year ended March 31, 2019	Year ended March 31, 2018
Provision for Taxation	13.21	13.83
	<b>13.21</b>	<b>13.83</b>

### 33 Revenue from Operations (Refer Note 71)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Construction Revenue	6,982.50	13,710.35
(b) Sale of Villas, Flats and Plots	-	3.22
(c) Income from Toll Collection	3,153.88	2,752.05
(d) Sewerage Treatment Revenue	-	-
(e) Sale of Bulk Water	1,753.63	1,727.82
(f) Sale of Products		
Traded	-	-
Others	189.57	380.52
(g) Sale of Services	50.55	72.21
(h) Other Operating Income	371.40	392.84
(i) Change of Scope	24.76	5.61
	<b>12,526.29</b>	<b>19,044.62</b>

### 34 Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Interest Income		
On Advances to Sub-contractors		-
Term Deposits with Banks	68.15	54.11
Interest Others	9.23	129.03
(b) Dividend Income		
Long-Term Investments	0.04	0.04
(c) Liabilities no longer required written back	0.63	263.29
(d) Provisions written back	132.91	306.20
(e) Income from Mutual Funds	26.77	29.47
(f) Foreign Exchange Gain	1.43	-
(g) Miscellaneous Income	72.14	281.33
(h) Toll Compensation	33.50	41.95
(i) Deferred Grant Revenue	67.01	55.29
(j) Rental income from Investment property	0.96	7.37
(k) Insurance Claim	0.07	181.55
(l) Profit on sale of fixed assets	0.07	34.53
(l) Income from change of scope	3.30	-
	<b>416.21</b>	<b>1,384.16</b>

### 35 Cost of Material Consumed

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Construction Material, stores and spares consumed	508.16	2,246.25
(b) Raw Material consumed on manufacturing	167.34	280.53
	<b>675.51</b>	<b>2,526.78</b>

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 36 Change in Inventories of Finished Goods, Stock in Trade and Work in Progress

	Year ended March 31, 2019	Year ended March 31, 2018
Change in Inventories of Finished Goods, Stock in Trade and Work in Progress	(20.75)	31.83
	<b>(20.75)</b>	<b>31.83</b>

### 37 Sub-contracting Expense

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Masonry and other works	698.37	2,673.82
(b) Development Expenditure	-	2.54
(c) Operation and Maintenance Expenses	572.38	334.06
(d) Manufacturing Expenses	76.53	88.80
(e) Resurfacing Expenses	86.24	180.13
(f) Indirect Taxes and Cess	965.76	1,460.25
(g) Machinery Hire Charges	64.74	232.98
(h) Repairs and Maintenance:		
Construction Machinery	32.21	117.21
Others	41.34	50.63
(i) Electricity and Water Charges	818.29	854.93
(j) Royalty	0.83	7.37
(k) Laboratory Testing Charges	3.16	5.09
(l) Penalty on delay in completion of work	1,388.26	-
(m) Change of Scope Expenditure	20.73	-
(n) Other Construction Expenses	1,142.65	394.99
	<b>5,911.49</b>	<b>6,402.80</b>

### 39 Employee Benefits (Refer Note 60)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Salaries, Wages and Bonus	671.13	919.68
(b) Contribution to Provident and Other Funds	65.03	94.99
(c) Staff Welfare Expenses	39.57	88.70
(d) Managerial Remuneration	-	-
	<b>775.73</b>	<b>1,103.37</b>

### 40. Finance Cost (Refer Note 60)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Interest Expenses	13,971.74	12,215.93
(b) Other Borrowing Cost	956.94	923.53
(c) Foreign Exchange Loss (Net)	4.00	110.09
	<b>14,932.68</b>	<b>13,249.55</b>

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 41. Other Expenses (Refer Note 56)

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Rent	28.57	51.39
(b) Office Maintenance	52.25	78.81
(c) Rates and Taxes	18.65	24.60
(d) Travelling and Conveyance	31.85	55.93
(e) Legal and Professional Charges	127.12	274.22
(f) Insurance	63.82	87.94
(g) Communication Expenses	8.92	16.72
(h) Printing and Stationery	5.74	10.27
(i) Tender Expenses	-	0.23
(j) Business Promotion	0.18	3.36
(k) Auditors' Remuneration (Refer Note 67)	9.03	9.36
(l) Advertisement and Publicity	3.35	3.59
(m) Loss on sale of Property, Plant & Equipment	-	32.36
(n) Provision for doubtful debts, advances and deposits	502.23	1,238.12
(o) Loss on sale of Investment	-	2.00
(p) Corporate Insolvency Professional Fee	72.00	-
(r) Bad Debts Written Off	0.48	96.98
(s) Miscellaneous Expenses	87.25	26.05
(t) Loss due to floods	-	14.09
(u) Transportation Charges	-	4.61
	<b>1,011.44</b>	<b>2,030.63</b>

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 42. Contingent Liabilities and commitments:

### A. Contingent liabilities:

S. No.	Particulars	As at March 31, 2019	As at March 31, 2018
I	<b>Claims against the Group not acknowledged as debt</b>	16714.20	23,976.81
II	<b>Guarantees</b>		
	a. Corporate guarantees extended on behalf of associates	40707.61	52,748.60
	b. Guarantee Given to Contractee/Clients		-
	c. Letter of Credits, Bank Guarantees including performance bank guarantees issued by the banks on behalf of the Group.	8760.70	12,564.03
III	<b>Other money for which the Group is contingently liable</b>		
	*Provident Fund matters	61.27	61.27
	*Income-tax matters	358.20	442.53
	*Sales-tax / WCT / VAT/Custome Duty matters	3,217.21	1,401.13
	*Excise/Service Tax matters	11,439.66	11,789.19
	Recompense payable (refer note 51 & 59 (C) (6))	-	433.70
	Finance expenses claimed by Bank/Financial Institution	-	2,768.36
	Others	552.31	1,594.83

\* Including estimated interest / penalty as may be determined / levied on the conclusion of the matters.

### IV. Impact of pending legal cases

The Group is party to several cases with contractee/clients as well as vendors/sub –contractors, pending before various forums/courts/arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes/ litigations until the cases are decided by the appropriate authorities.

### V. The Group is also liable jointly and severally in respect of joint venture projects and liquidated damages in completion of projects.

b. Further the holding Company has provided corporate guarantees to the lenders of certain subsidiary companies and some of the subsidiary companies have provided corporate guarantee to the CDR Lenders, Monitoring Institutions and security trustee of the holding Company pursuant to CDR Scheme. The management does not expect any additional liability at Group level over and above the stated liability in the consolidated financial statements in respect of such corporate guarantees.

c. In respect of **Jalandhar Amritsar Tollways Limited**, Income tax penalty demand (net) of ₹ 480.50 Million (gross amount of ₹ 545.00 Million less amount paid under protest of ₹ 1.50 Million in earlier year and ₹ 63.00 Million in current year) pending with ITAT New Delhi relates to A.Y. 2011-12, 12-13 and income tax demand (net of ₹ 230.20 Million (gross amount of ₹ 298.40 Million less amount paid under protest of ₹ 68.20 Million in current year) pending with CIT Appeal New Delhi relates to 2013-14, 14-15, 15-16 and 16-17. The company filled the appeal with CIT, New Delhi in respect of penalty imposed by Assessing Officer which is rejected by the Authority. However, the company filled the application with ITAT, New Delhi in respect of penalty imposed by the Assessing Officers and the company is in the view that it will get relief from ITAT, New Delhi in respect of penalty imposed by the Assessing Officer as per the ground taken by the counsellors. For the A. Y. 2013 to 2017, Company filled the Appeal in CIT Appeal New Delhi against the tax demand raised by the Assessing Officer. The company has not estimated the interest liability on income tax demand.

Income tax department has issued the instruction to bankers for the attachment of all bank accounts for debit freeze and direction for the payment of ₹ 489.70 Million against the outstanding demand of income tax. The Said demand has been vacated by the income tax department after depositing the tax of ₹ 131.50 Million and the said stay of the balance demand is considered and stay is granted till disposal of appeal by CIT(A)-05 and ITAT.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



- d. In respect of **Kumarapalayam Tollways Limited**, Company required to the renewal of wearing surface of the road pavement once in 5 year in terms of clause 2.6.1 of Schedule L of Concession Agreement in addition to regular maintenance of the road, for which company need to provide for in its accounts annually. The company had not provided the annual provision for year March 31,2017 , March 31, 2018 & March 31,2019 total amounting of INR 311.30 Million as per estimation by management of overlaying for 40mm thickness .The second term of resurfacing is due in Aug 2019 . However, the company has requested to NHAI on 17.04.18 to permit laying of overlay limiting thickness to 25 mm as per Clause 209 of MORTH, 4th Revision. The estimated cost for overlaying for 25mm thickness will be INR 5.6 million per KM comes Approx. INR 271.60 million. The company has already provided the liability of Resurfacing upto 31.03.2019 amounting of INR 551.40 million which is already more than twice as required.
- e. In respect of **Salem Tollways Limited**, claim by NHAI towards balance interest on negative variation (net off positive variation) in the work due to change of scope is INR 30.22 million (Previous year-INR 18.41 million)
- f. Default and breaches:-
- There are default with respect to payment of interest in respect of borrowing from banks as under:
- BOB: Interest due for 0- 30 days amounting of ₹ 0.25 Million
- IOB: Interest due for 0- 30 days amounting of ₹ 0.05 Million
- SBI: Interest due for 0- 30 days amounting of ₹ 0.44 Million
- g. The Company's ability to continue as going concern in dependent upon many factors including continued support from the financial creditor, operational creditor and its holding company.
- h. In respect of **Rihim Developers Private Limited**, during the year 2006, Company (erstwhile IVRCL Assets & Holdings Limited) had entered into Joint Development Agreements (JDAs) with various individual plot owners to jointly develop a property situated at "Cyber Enclave", Hi-tech City, Hyderabad. As per JDAs, the Company was required to amalgamate all the plots pertaining to "Cyber Enclave" and complete the development as per specified plan within a period of thirty months from the date of respective JDAs. As per terms and conditions of the agreement, all the plot owners have an obligation to enter into JDA to facilitate amalgamation of plots without which development cannot be taken up. In case of delay in completion of the project by the Company, it would indemnify the loss occurring to the individual land owners as per agreed terms for the delayed period.

Certain plot owners of Cyber Enclave have gone against the Company before the District Consumer Dispute Redressal Forum - III, Hyderabad claiming for compensation in the form of rent for their plots as the Company could not obtain ULC permissions and complete the development of the property in scheduled time

However, the Company had filed its reply for the same before the District Consumer Dispute Redressal Forum - III, Hyderabad that the stipulated time for obtaining ULC permissions would commence only after all the plot owners collectively approach the authorities for sanction of extra FSI. However, due to non-cooperation of some of the members, not handing over the required documents and not paying the requisite fees, there was delay in obtaining the sanctions of extra FSI for executing the project. The Company believes that the plot owners would get the right to claim compensation for delayed period only when the delay is caused by the Company. Since the Company has performed all the obligations on its part, payment of compensation to land owners for delay in the project is not probable. The liability, if any, that may arise on account of delay in development of the above property is not presently ascertainable

The company has received a Service Tax Demand Notice of ₹.16.66 million from the Joint Commissioner of Customs, Central Excise & Service Tax, Hyderabad and has preferred an appeal before the Hon'ble Commissioner (Appeals) of Customs, Central Excise & Service Tax, Hyderabad, which is yet to come up for hearing.

Based on internal assessment and legal opinion, the management is confident that for the above mentioned contingent liability, no provision need to be made as at March 31, 2019.



# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## i. Commitments

S. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Estimated amounts of contracts to be executed on capital account (net of advance)	68.20	976.00

43. As more fully described in Note 44 below, as per Regulation 33(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the consolidated financial results of a company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the consolidated financial results. In view of the Liquidation Order passed by the NCLT, all the powers of the Board of Directors, and Key Managerial Personnel shall cease to have effect and shall be vested with Mr. Sutanu Sinha, the liquidator. Accordingly, audited consolidated financial results of the group for the year ended March 31, 2019 were taken on record and authorized for issue to concerned authorities by the Liquidator.
44. The Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its Order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and the Resolution professional (RP) for the Company has been appointed as the Liquidator. The Liquidator shall exercise the powers and duties as enumerated in sections 35 to 50, 52 to 54 of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
45. During the year, the holding company has incurred a Net Loss of ₹15,452.06 millions resulting into accumulated losses of ₹ 57,094.77 millions and erosion of its Net worth as at March 31, 2019. The Company has obligations towards fund based borrowings (including interest) aggregating to ₹ 92,580.77 millions as per books of accounts and non-fund based exposure aggregating to ₹ 8,870.28 millions, operational creditors and statutory dues, subject to reconciliation/verification as stated in note 3.1(f) below, that have been demanded/recalled by the financial/operating creditors pursuant to ongoing Liquidation process as going concern, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2019. The holding company's ability to continue as going concern is depend upon many factors including continued support from the financial creditors, operational creditors and submission of viable revival plan by the prospective investor/bidder. As the Hon'ble National Company law Tribunal, Hyderabad ("NCLT") has passed the order for liquidation as a "going concern", in the opinion of the management, the holding company will continue its operations and the above results have been prepared on the basis that the holding company is Going Concern.
46. The holding company had recognized deferred tax assets on account of carried forward unused tax losses and other taxable temporary differences aggregating to ₹ 9,570.59 Million (₹ 9,570.59 Million as at March 31, 2018). As the holding company is a going concern by virtue of NCLT order dated 26th July 2019 and based on unexecuted orders on hand and expected future orders, the Management of the holding company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realised.
47. The holding company has certain trade receivables, unbilled revenue, security deposit, withheld, claims of indirect taxes and other deposits including bank guarantee encashed by the customers aggregating to ₹ 27,000.76 Million (₹ 19,682.35 Million as at March 31, 2018) which are subject matters of various disputes / arbitration proceedings / negotiations with the contractee/clients due to termination / fore closure of contracts and other disputes. The management of the holding company is confident of positive outcome of litigations / resolutions of disputes and recovering the aforesaid dues. Performance Bank Guarantee invoked during the year ended March 31, 2019 and CIRP period amounting to ₹ 1,732.28 lakhs have been provided for in the Statement of profit and loss under the head "Exceptional Item". However, the management is in the process of initiating arbitration/other legal action for such invocations.
48. The Company has an investment of ₹ 12,063.29 Million (₹12,063.29 Million as at March 31, 2018) in subsidiaries engaged in BOT and other projects, which are under disputes with the concessionaire, and other subsidiaries that have significant accumulated losses as at March 31, 2019. The management of the Company is at various stages of negotiation/communication/arbitration with respective contractee/clients of such subsidiaries engaged in BOT and other projects to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss making subsidiary Companies. Considering the long-term nature of investments and in view of ongoing discussion, no provision has been considered necessary by the management in respect of impairment in the value of investment.
49. The holding company has outstanding loans and advances of ₹ 1,050.92 Million (₹ 941.89 Million as at March 31, 2018) given to subsidiary companies, associates, net receivable against development rights, various sub-contractors, vendors and other parties that are outstanding for long period. The management of the holding company is at various stages of

## Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

negotiation/communication/arbitration with respective contractee/clients/ sub-contractors/vendors to recover the dues and cost incurred by the holding company and taking necessary steps to turnaround the loss making subsidiary Companies. As the company is a going concern by virtue of NCLT order dated 26th July 2019 and accordingly, no provision has been considered necessary by the management in respect of impairment in the value of advances.

50. Pursuant to the commencement of Corporate Insolvency Resolution process of the holding company (CIRP) under Insolvency Bankruptcy Code 2016 (IBC), there are various claims, submitted by the financial creditors, operational creditors, workmen or employee and authorized representative of workmen and employees of the Company including the claims on Company's subsidiaries. The Liquidation process which commenced on 26th July 2019 also allows fresh claims/ updated claims submitted during CIPR Period. Some of these claims are under further verification/validation and the same may be updated as per any additional information which may be received in future. Hence there are differences between the liabilities admitted vis-a-vis balance as per books of account.
51. Confirmation of balances could not be obtained as at March 31, 2019 for banks balances, bank borrowings and for various trade receivables including retention, loans and advances, trade payables, though, the management has requested for the confirmation of balances and the status is still continued. The Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.
52. Physical verification for fixed assets aggregating to ₹ 1,518.27 Million (WDV as at March 31, 2019) and inventory aggregating to ₹ 405.18 Million could not be carried out at certain locations including project site that are terminated/ foreclosed/ having slow progress. The Management believe that no item of fixed assets and inventory has a net realizable value in the ordinary course of business which is less than the amount at which it is included in the fixed assets and inventories. Accordingly, no provision is required in respect of such fixed assets and inventories.
53. The holding company has various input credits and balances with various statutory authorities pertaining to service tax, VAT, sales tax etc aggregating to ₹ 2,120.56 Million as at March 31, 2019. The recovery of these amounts is subject to reconciliation, filing of returns and admission by respective statutory authorities. No adjustments has been made in the books of accounts in respect of such amounts.
54. During the previous year, the holding company has received a Show Cause Notice U/s 279 (1) of the IT Act 1961 for initiation of prosecution proceedings U/s 276 (B) of the IT Act 1961 for failure to deposit the deducted Tax at Source within due date in Central Government Account for financial year 2016-17 & 2017-18 for the amount of ₹ 103.40 Million and ₹ 189.12 Million respectively.

In respect of the above, IT department has also sent notices U/s 226 (3) of the IT Act, 1961 to certain banks and customers of the company demanding the recovery of aforesaid arrears.

The Resolution Professional has communicated to the IT department about the ongoing CIRP and requested the IT department to withdraw the aforesaid notice and not to proceed with any further actions against the company in this regard. Subsequently, application under section 60(5) of the Insolvency and Bankruptcy Code 2016 has been filed with the National Company Law Tribunal, Hyderabad to seek necessary orders in this regard and matter is pending for decision.

55. During the previous year , the holding company has received order of the Regional Provident Fund Commissioner in the matter of levy of damages pertaining to the earlier years U/s 14 B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 aggregating to ₹ 0.41 Million for the period from 10/1999 to 02/2009 and ₹ 60.86 Million for the period from 07/2009 to 03/2015.

In respect of the above, the Employees' Provident Fund Organisation has also sent notice U/s 8f of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 to a bank demanding the recovery of 91.22 Million including interest of ₹ 29.95 Million).

The holding company has filed an appeal U/s 7-I of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 with Employees' Provident Fund Appellate Tribunal, Bangalore Bench regarding the damages amounting to ₹ 61.27 Million and the matter is presently sub-judice.

56. Other expenses for the year ended on March 31, 2019 includes provision for doubtful trade receivables aggregating to ₹ 493.56 Million (for the year ended March 31, 2018 is ₹ 1,221.20 Million) and masonry, labour and other construction expense has been adjusted with GST input tax credit of ₹ 56.61 Million pertaining to the previous year.
57. During the year ended March 31, 2019 on review of the project status, excess unbilled revenue of ₹ 180.08 Million has been adjusted with revenue from operations.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 58. Specific notes related with Subsidiaries companies

### a. IVRCL TLT Private Limited

- Deferred tax assets, on carried forward unused tax losses and other taxable temporary differences, aggregating to ₹8.32 Million have been recognised on the basis of business plan prepared by the management. The management believes that, growth in operations of the company will results in its revenue and profitability and consequently sufficient future taxable income will be available against which such deferred tax assets will be realized.
- “Other Current Assets” include a claim of Value Added Tax refund amounting to ₹ 32.98 Million pending for settlement by the concerned authority since long period. The management is hopeful of recovery of the same and hence, no loss allowance is provided for the same.
- Inventories of the Company include non-moving trade stock of ₹ 18.21 Million being held by the Company since long time. Management is taking necessary steps for disposing off non-moving items in the market. In view of above, in the opinion of the management, no adjustment is required in financial statements in this respect.
- The accumulated losses of the Company as at March 31, 2019 amounting to ₹ 165.43 . Million have exceeded its net worth. Further, the Company’s current liabilities exceed current assets. These facts along with other matters as stated in notes indicate that there exists a material uncertainty that may cast significant doubt on the company’s ability to continue as a Going concern.. However, considering the present status of revenue being earned by the Company, the management is hopeful in future the Company will be able to discharge its liabilities in the normal course of business on regular basis. Hence, the consolidated financial statements have been prepared on going concern basis and do not include any adjustment in this respect.
- The Company has extended corporate guarantee as per Corporate Debt Restructuring( CDR) condition in favor of lenders of the holding Company (IVRCL Limited) who is incurring losses and Corporate Debt Restructuring Empowered Group in its meeting dated August 31, 2017 had approved exit from CDR but the guarantee is still effective. Further, a lender of the Holding Company has filed insolvency and bankruptcy petition against the holding Company for initiation of insolvency resolution process that has been admitted by the Hon’ble Company Law Tribunal, Hyderabad (“NCLT”) vide its order dated February 23, 2018. Subsequent to year end, the Hon’ble National Company Law Tribunal, Hyderabad Bench (“NCLT”) has passed Attendance-Cum-Order Sheet in the hearing held on July 26, 2019 read with corrigendum order issued on July 31, 2019 for Liquidation of M/s IVRCL Limited. The holding company has outstanding loans including fund based and non-fund aggregating to ₹ 92,580.77 million and ₹ 8.870.28 Million respectively against negative net worth of the company as at March 31, 2019. The loss allowance in respect of this guarantee is presently not determinable, hence, no provision has been made in the books of account in this regard.

### b. Alkor Petroo Limited

- The Corporate Guarantee furnished by IVRCL on behalf of the Company (on the basis of Counter Guarantee the BG has been issued by ICICI Bank) has been encashed by the Client during the year 2014-15 and the contract has been terminated. Hence, the company has reclassified the CWIP to Capital Work-in-progress (under claim).
- Cash and cash equivalents includes the balance available in the Tamilnad Mercantile Bank as on 31/03/2019 of ₹ 0.20 Million.
- The Company has received Service Tax Demand Notice and total Service Tax liability including the arrears of Service Tax of ₹ 6.75 million (2018: ₹ 6.75 million). The Company is contesting the demand notice and has filed an Appeal before the CESTAT, Hyderabad for waiver of the same.

### c. IVRCL Chandrapur Tollways Limited

- Since term loans are declared as NPA by lenders, it is classified as current liability in the balance sheet.
- Since company’s term loan accounts is declared as Non Performing Assets (NPA) by the lenders, the following bank accounts are subjected to reconciliation:

Name of the Bank	Branch	Type of account	A/C Number
Bank of India	Masab Tank, Hyderabad	Term Loan	562565410000034
Bank of India-Additional Debt	Masab Tank, Hyderabad	Term Loan	562565410000007
Bank of India-Loan B	Masab Tank, Hyderabad	Term Loan	562565410000052

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Name of the Bank	Branch	Type of account	A/C Number
Central Bank of India	Koti, Hyderabad	Term Loan	3145192741
Central Bank of India-Additional Debt	Koti, Hyderabad	Term Loan	3485063126
Central Bank of India-Loan B	Koti, Hyderabad	Term Loan	3569442667
Indian Overseas Bank	R.P Road Secunderabad	Term Loan	43203281100018
Indian Overseas Bank-Additional Debt	R.P Road Secunderabad	Term Loan	43203281500005
IIFCL*	New Delhi	Term Loan	
IIFCL-Additional Debt *	New Delhi	Term Loan	
IIFCL-Loan B*	New Delhi	Term Loan	

\*As confirm to us by the company, IIFCL doesnot have its own term loan account number.

- Capital approach is followed for amortization of capital grant i.e. reduced from total capital expenses to arrive carriage ways as per IND AS 12.
- Projected revenue model is used to amortise intangible asset.
- Loan & Advances, paybles and receivable are subject to confirmation and reconciliation as at the end of the year.
- During the year, the Company has incurred a loss of ₹283.66 millions with accumulated losses of ₹ 688.66 millions as at March 31, 2019 and thus there is a erosion of its Net worth. The Company has obligations towards fund based borrowings. The Company's ability to continue as going concern is dependent upon many factors including continued support from the financial creditors, operational creditors and its holding company.

#### d. IVR Hotels and Resorts Limited

- The Company has incurred an aggregate cost of ₹ 3,892.91 Million as at March 31, 2019 (March 31, 2018: ₹ 3,902.43 Million), on acquisition of certain land parcels and project expenditure incurred on some of these land parcels. The Company has acquired various land parcels and is into initial stage of project implementation. As per Company's business plan, the projects will have multiple properties consisting of integrated townships, golf course, golf club, service apartments and mega malls which will be classified under Fixed Assets, Investment Properties and Inventories, as the case may be, based on ultimate end use pattern as per final business plan of the Company. Pending such reclassification, the cost incurred on development of projects in respect of balance land parcels is included under the head 'Inventory'.

The said land parcels / projects are being carried in the books at cost, which in the opinion of the Management is lower than the Net Realisable Value / Value in use, based on the assessment carried out by the Management. Accordingly, no adjustment has been made to the carrying value of these land parcels / projects.

- The land held by the company and development rights received from various land companies has been mortgaged to the bankers of the Company and lenders of IVRCL Limited (holding Company) for securing various credit facilities, to the extent of 260 and 152 acres respectively. During the year 2017, the Honourable National Company Law Tribunal (NCLT), Hyderabad Bench admitted an Insolvency and Bankruptcy petition filed by a financial creditor against IVRCL Limited, (the Holding Company) and appointed a Resolution Professional in terms of the Insolvency and Bankruptcy Code, 2016 to carry out the functions of the Company.

In view of the above, the holding company's ability to continue as a going concern is dependent on many factors including submission of a viable revival plan by the prospective investors/bidders. In the opinion of the parent company management, resolution and revival of the company is possible in the foreseeable future under the Corporate Insolvency Resolution Process (CIRP).

- The whole amount of Current Maturities of long term borrowings consists continuing defaults as at 31.03.2019. Such secured Term loan was obtained from Central Bank of India secured by exclusive charge on underlying project property (Land & Structure) and exclusive charge on all present and future receivable of underlying project, carries variable interest rate of bank's base rate + 3.5% and is repayable in 12 quarterly installments after a principal moratorium period of 4 years from the date of first disbursement viz . September 26, 2012. The bank has initiated

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



recovery proceedings under Securitisation And Reconstruction of Financial Assets and Enforcement of Security Interest act, 2002 in respect of outstanding loan as at end of the year plus interest and costs thereafter.

4. The customers/land vendors/facilitators/others have initiated legal action for not fulfilling the contractual obligations. The Company is taking steps to defend such actions and the financial impact, if any, is presently not ascertainable.
5. The Company's accumulated losses stands as at end of the current year ₹ 536.21 Million. The Company has obligations towards borrowings aggregating to ₹ 762.91 Million as at March 31, 2019. The management of the Company confident of improvement in its business operations.

### e. IVRCL Chengapalli Tollways Limited

1. The Company had entered into one-time settlement (OTS) with IFCI Limited vide letter dated 22/03/2017 for settlement of entire dues by 31st March 2017. However, Company could not settle dues pertaining to debentures till date.
2. The company has taken term loans from consortium of banks. Company borrowings has been classified as Non-performing assets by the lenders due to defaults in payment of related dues. Since Company becomes non-performing asset (NPA), all the term loan may be recalled at anytime by lenders.
3. During the year, the company has reported a net loss of ₹ 548.00 Million (Previous year ₹ 492.70 Million). The company has obligations towards fund-based borrowings aggregating to ₹ 10,414.70 Million and other obligations pertaining to operations including unpaid creditors and statutory dues amounting of ₹ 1,668.00 Million as at March 31, 2019. Further, the company borrowings have been classified as non-performing assets by the banks due to defaults in the payment of dues and the company has also defaulted in repayment of debenture holders and the company's current liabilities exceed current assets by ₹ 3,070.00 Million as on March 31, 2019. The Company's ability to continue as going concern is dependent upon many factors including continued support from the financial creditors, operational creditors and its holding company.
4. The vacancy of Company Secretary and Chief Financial Officer during the year which is in contravention of the requirements of section 203 of the Companies Act, 2013.
5. In respect of not testing the status of its vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, to compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.

### f. IVR Enviro Projects Private Limited

1. The Company had filed an Arbitration claim against the Thiruppur Municipality in the year 2005, against which the arbitration award was passed by the Hon'ble Arbitrator appointed by the High court of Madras on 15.07.2017, with the net claim payable to the claimant company of ₹ 91.60 Million. However, the Thiruppur Municipality had filed an appeal against the arbitration award in the High court of Madras in Nov, 2017. The claim awarded by the arbitrator, has not been recorded in the books of company and would be accounted in the year of receipt of the award in the company's bank account.
2. The balance available in the Tamilnad Mercantile Bank as on 31/03/2019 as per books of account was ₹ 0.69 Million.

### g. Jalandhar Amritsar Tollways Limited

1. Loans & Advances, payables and receivable are subject to confirmation and reconciliation as at the end of the year.
2. The vacancy of office of whole time Key Managerial Personnel is not filled by the Board at a meeting of Board of directors within 6 month from the date of vacancy as per sub section 4 of section 203 of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The management is taking necessary steps for appointment of the Key personnel.
3. Default and breaches:-

There are default with respect to payment of interest in respect of borrowing from banks as under:

SBBJ: Interest due for 31 days amounting of ₹ 1.29Million

Canara Bank: Interest due for 31 days amounting of ₹ 2.78Million

Interest due for 59 days amounting of ₹ 7.58 Million



# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



4. During the year, the company has incurred a loss of Rs. 987.70 Million with accumulated losses of Rs. 1,234.50 Million as at March 31, 2019 and thus there is a erosion of its network. The Company has obligation towards fund base borrowing aggregating to Rs. 1324.00 Million, negative grant to NHAI due after one year amounting of Rs. 553.60 Million and due within one year amounting of Rs. 1,190.00 Million and other obligations pertaining to operation including unpaid creditors and statutory dues amounting of Rs. 1,364.50 Million as at March 31, 2019 and contingent liabilities amounting of ₹ 904.50 Million which has not been considered by the company as ascertained liabilities. Net receivables from holding company amounting of ₹ 7.00 Million. The Company's ability to continue as going concern in dependent upon many factors including continued support from the financial creditor, operational creditor and its holding company.
5. Company required to the renewal of wearing surface of the road pavement one in 5 year in terms of clause 3.3.7 of Schedule L of Concession Agreement in addition to regular maintenance of the road. Resurfacing of road was due in April 2015 for first 5 years. However, management was unable to start the resurfacing of road due to funding issue. NHAI had issued a penalty notices on company on different dates for delay in laying of Overlay as per clause 18.13 of concession agreement amounting of ₹ 359.50 Million till March 31,2019. During the year the company has provided the liability of ₹ 359.50 Million in books of Accounts ended March 31, 2019.
6. Income tax penalty demand (net) of Rs. 480.50 Million (gross amount of Rs. 545.00 Million less amount paid under protest of Rs. 1.50 Million in earlier year and Rs. 63.00 Million in current year) pending with ITAT New Delhi relates to A.Y. 2011-12, 12-13 and income tax demand (net of Rs. 230.20 Million (gross amount of Rs. 298.40 Million less amount paid under protest of Rs. 68.20 Million in current year) pending with CIT Appeal New Delhi relates to 2013-14, 14-15, 15-16 and 16-17. The company filled the appeal with CIT, New Delhi in respect of penalty imposed by Assessing Officer which is rejected by the Authority. However, the company filled the application with ITAT, New Delhi in respect of penalty imposed by the Assessing Officers and the company is in the view that it will get relief from ITAT, New Delhi in respect of penalty imposed by the Assessing Officer as per the ground taken by the consellers. For the A. Y. 2013 to 2017, Company filled the Appeal in CIT Appeal New Delhi against the tax demand raised by the Assessing Officer. The company has not estimated the interest liability on income tax demand.

Income tax department has issued the instruction to bankers for the attachment of all bank accounts for debit freeze and direction for the payment of Rs. 489.70 Million against the outstanding demand of income tax. The Said demand has been vacated by the income tax department after depositing the tax of Rs. 131.50 Million and the said stay of the balance demand is considered and stay is granted till disposal of appeal by CIT(A)-05 and ITAT.

## h. Kumarapalyam Tollways Limited

1. Loans & Advances, payables and receivable are subject to confirmation and reconciliation as at the end of the year.
2. Default and breaches:-

There are default with respect to payment of interest in respect of borrowing from banks as under:

BOB: Interest due for 31 days amounting of ₹ 5.24Million

SBI: Interest due for 31 days amounting of ₹ 5.14Million

Interest due for 59 days amounting of ₹ 5.66 Million

Interest due for 90 days amounting of ₹ 5.57 Million

3. During the year, the company has incurred a loss of Rs. 671.20 Million with accumulated losses of Rs. 1,505.60 Million as at March 31, 2019 and thus there is a erosion of its network. The Company has obligation towards fund base borrowing aggregating to Rs. 2,980.10 Million, and other obligations pertaining to operations including unpaid creditors and statutory dues amounting of Rs. 1,317.90 Million as at March 31, 2019 and contingent liabilities amounting of ₹ 335.20 Million which has not been considered by the company as ascertained liabilities. The Company's ability to continue as going concern in dependent upon many factors including continued support from the financial creditor, operational creditor and its holding company.
4. Company required to the renewal of wearing surface of the road pavement once in 5 year in terms of clause 2.6.1 of Schedule L of Concession Agreement in addition to regular maintenance of the road, for which company need to provide for in its accounts annually. The company had not provided the annual provision for year March 31,2017 , March 31, 2018 & March 31,2019 total amounting of INR 311.30 Million as per estimation by management of overlaying for 40mm thickness .The second term of resurfacing is due in Aug 2019 . However, the company has requested to NHAI on 17.04.18 to permit laying of overlay limiting thickness to 25 mm as per Clause 209 of MORTH, 4th Revision. The estimated cost for overlaying for 25mm thickness will be ' 5.6 million per KM comes Approx. '

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



271.60 million. The company has already provided the liability of Resurfacing upto 31.03.2019 amounting of INR 551.40 million which is already more than twice as required.

5. In respect of not testing the status of company's vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, resulting in non-compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.

**i. Absorption Aircon Engineers Private Limited**

Though the networth of the company has already been eroded, the management of the company is confident of revival of the ultimate holding company is possible in the foreseeable future as the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and accordingly, the financial statements of the company are prepared on the going concern..

**j. IVR Prime Developers (Amalapuram) Private Limited**

Though the networth of the company has already been eroded, the management of the company is confident of revival of the ultimate holding company is possible in the foreseeable future as the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and accordingly, the financial statements of the company are prepared on the going concern..

**k. Bibinagar Developers Private Limited**

Though the networth of the company has already been eroded, the management of the company is confident of revival of the ultimate holding company is possible in the foreseeable future as the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and accordingly, the financial statements of the company are prepared on the going concern..

**l. IVR Prime Developers (Guntur) Private Limited**

Though the networth of the company has already been eroded, the management of the company is confident of revival of the ultimate holding company is possible in the foreseeable future as the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and accordingly, the financial statements of the company are prepared on the going concern..

**m. Mummidhi Developers (Guntur) Private Limited**

Though the networth of the company has already been eroded, the management of the company is confident of revival of the ultimate holding company is possible in the foreseeable future as the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and accordingly, the financial statements of the company are prepared on the going concern..

**n. Samatteri Developers Private Limited**

Though the networth of the company has already been eroded, the management of the company is confident of revival of the ultimate holding company is possible in the foreseeable future as the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and accordingly, the financial statements of the company are prepared on the going concern..

**o. IVRCL solar Energy Private Limited**

Though the networth of the company has already been eroded, the management of the company is confident of revival of the ultimate holding company is possible in the foreseeable future as the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and accordingly, the financial statements of the company are prepared on the going concern..



# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



**p. IVR Prime Developers (Palakkad) Private Limited**

The balance available in the Tamilnad Mercantile Bank as on 31/03/2019 as per books of account was ₹ 0.01 Million subject to confirmation and the Management believes that no material adjustment would be required in books of accounts upon receipt of these confirmations.

**q. IVR Prime Developers (Guindy) Private Limited**

The balance available in the Tamilnad Mercantile Bank as on 31/03/2019 as per books of account was ₹ 0.01 Million subject to confirmation and the Management believes that no material adjustment would be required in books of accounts upon receipt of these confirmations.

**r. IVRCL Patalganga Truck Terminals Private Limited**

The balance available in HDFC Bank and Indian Overseas Bank as on March 31, 2019 as per books of account was ₹ 0.003 Million and ₹ 0.008 Million respectively. However, the same could not be verified as neither bank statements nor balance confirmation letters from banks were available. Our opinion is not qualified in respect of these matters.

**s. IVRCL PSC Pipes Private Limited**

The legal proceedings initiated by a creditor, Radiant Engineers, against the company for recovery of outstanding dues of ₹ 0.35 Million. The status of the legal proceedings at the time of audit was not known.

**t. Salem Tollways Limited**

1. In respect of not testing the status of company's vendors and service providers in respect of Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, resulting in non-compliance of minimum presentation and disclosure requirement as per the schedule III of the Companies Act, 2013.

2. Company has the responsibility for resurfacing of the road which was due from July 1, 2015 and delay for the same can be attracted a penalty by the NHAI. The company has provided the penalty liability till 31 March 2019 in the books of accounts during the year.

3. Loans & Advances, payables and receivable are subject to confirmation and reconciliation as at the end of the year.

4. Default and breaches:-

There are default with respect to payment of interest in respect of borrowing from banks as under:

BOB: Interest due for 0- 30 days amounting of ₹ 0.25 Million

IOB: Interest due for 0- 30 days amounting of ₹ 0.05 Million

SBI: Interest due for 0- 30 days amounting of ₹ 0.44Million

5. During the year, the company has incurred a loss of ₹ 594.50 Million with accumulated losses of ₹ 884.10 Million as at March 31, 2019 and thus there is a erosion of its network. The Company has obligation towards fund base borrowing aggregating to ₹ 2,692.80 Million, and other obligations pertaining to operations including unpaid creditors and statutory dues amounting of ₹ 1,514.50 Million as at March 31, 2019. The Company's ability to continue as going concern in dependent upon many factors including continued support from the financial creditor, operational creditor and its holding company.

6. Claim by NHAI towards balance interest on negative variation (net off positive variation) in the work due to change of scope is ₹ 30.22 million (Previous year- ₹ 18.41 million).

## 59. Service concession Arrangements

**a. SPB Developers Private Limited**

The company has entered into service concession arrangement (SCA) with the Public Works Department, Government of Maharashtra ("the Government"/"the Grantor") for Four laning of Dondaicha kusumba nagar Daund baramati phaltan road SH-10 Part Baramati to Phaltan KM 42/400 to 64/300, and Mahad-Shirwal-Lonand-Phaltan-pandharpur Road SH-70 Part Phaltan- Lonand-Shirwal KM136/00 to 80/00 in Pune and satara district in the state of maharashtra ("the Project").

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



As per the terms of arrangements the government has granted to the concessionaire exclusive right, license to construct, operate and maintain the project for a period of 30 years commencing from the appointed date (i.e. March 10, 2010). On and from the Commercial Operation Date (COD) till the transfer date, the concessionaire shall have the sole and exclusive right to collect and appropriate toll from the users in accordance with SCA. The toll can be revised as per the toll policy of the Government of Maharashtra. The significant rights and obligation of the concessionaire are as follows:

- (a) Right of way, access and license to the site for the purpose of and to the extent conferred by the provision of the SCA. b) Construct the project highway, manage, operate and maintain the project highway and regulate the use thereof by third parties. Demand, collect and appropriate fee from vehicles and persons liable for payment of fee for using the project highway or any part thereof and refuse entry of vehicle if the fee due is not paid. c) The concessionaire is entitled for cash support by way of an outright grant in accordance with the terms of SCA. The grant shall be disbursed to the concessionaire by way of equity support. d) The SCA can be terminated by any of the parties on occurrence of events of default as mentioned in the agreement.

### (b) Revenue Recognition

Revenue is recognized as per the intangible asset model on the principle that during the construction phase the operator renders construction services to the grantor in exchange of intangible assets. Accordingly, the amount of revenue and profit or losses recognized during the year on exchanging construction services for an intangible asset is as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from Operation	Nil	Nil
Construction/operating cost	Nil	Nil
Net Profit	Nil	Nil

### b. Toll Revenue generated from Service Concession Arrangements

Name of the Company	For the year ended March 31, 2019	For the year ended March 31, 2018
Salem Tollways Limited	647.97	574.60
Kumarapalyam Tollways Limited	720.25	611.13
Jalandhar Amritsar Tollways Limited	405.80	414.72
IVRCL Chengapalli Tollways Limited	1,025.65	901.15
IVRCL Chandrapur Tollways Limited	354.21	284.18
	<b>3,153.88</b>	<b>2785.78</b>

### 60. Details of Employees Benefits as required by the Ind AS 19 "Employee Benefits" are given below:-

- (a) Defined contribution plans:

During the year, the company has recognised the following amounts in the Statement of Profit & Loss (included in Contribution to Provident & Other Funds):

	Year ended March 31, 2019	Year ended March 31, 2018
Contribution to Provident Fund	43.88	64.33
Contribution to Superannuation Fund	-	16.67
Contribution to Employees' State Insurance	0.87	0.92

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### (b) Defined Benefit Plan:

Reconciliation of opening and closing balances of Defined Benefit obligation

	Year ended March 31, 2019	Year ended March 31, 2018
<b>Gratuity (Unfunded)/(funded)</b>	<b>Gratuity</b>	<b>Gratuity</b>
Changes in defined benefit obligation		
Defined Benefits obligation at the beginning of the year	163.63	184.63
Current Service Cost	12.48	15.43
Interest Cost	12.34	13.45
Actuarial (gain)/loss	6.90	(1.55)
Benefit paid	(39.05)	(48.32)
Defined Benefit obligation at the year end	156.30	163.63
Amount to be recognised in Balance Sheet		
Present value of Funded obligation	156.30	163.63
Fair value of plan assets	(175.37)	(191.72)
Net (assets)/liability	(19.06)	(28.09)
Expenses to be recognized in statement of Profit and Loss		
Current Service Cost	12.48	15.43
Interest Cost	12.34	13.45
Interest Income	(14.49)	(7.78)
<b>Total</b>	<b>16.37</b>	<b>21.10</b>
<b>Expenses to be recognized in statement of Profit and Loss under Other Comprehensive Income</b>		
Actuarial (Gains)/Losses on the obligation for the period	6.90	(1.55)
Return on plan assets excluding interest income	(6.16)	0.27
Experience Adjustment		-
	<b>0.74</b>	<b>(1.28)</b>
<b>Actuarial assumption</b>		
Discount rate (per annum)	7.64%	7.56%
Rate of escalation in salary (per annum)	5.75%	5.00%
Expected return on Plan Assets	5.00%	7.56%

The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the actuary.

- (c) In accordance with the payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India and balance is provided on the basis of valuation of the liability by an independent actuary as at the period end. The invested return earned on the policy comprises bonus declared by LIC having regard to LIC's investment earnings. The information on the allocation of the fund into major asset classes and expected return on each major class are not available. The management understands that LIC's overall portfolio assets are well diversified and as such, the long-term return of the policy is expected to be higher than the rate of return on Central Government Bond.

### (d) Key Assumptions – Compensated absences

	2018-19	2017-18
Discount rate	7.64%	7.56%
Salary escalation rate	5.75%	5.00%

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## 61. Financial Instruments

### 61.1 Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The Group is not subject to any externally imposed capital requirements.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

### 61.2 Financial risk management

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets comprise investments, cash and bank balance, trade and other receivables.

The Group is exposed to various financial risks such as market risk, credit risk and liquidity risk. The financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

#### a. Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and changes in interest rates. There have been no changes to the Group's exposure to market risk or the manner in which it manages and measures the risk in recent past.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and bank deposits.

##### i. 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 the risk of changes in market interest rates is limited as the Group's borrowing bear fixed interest rate.

##### ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's borrowings. The Group's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies. For details of unhedged foreign currency refer note 59(a)(13) and note 67.

#### b. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Group has adopted a policy of only dealing with creditworthy customers.

Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

At March 31, 2019, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

#### c. Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the Company. The Company has established an appropriate liquidity risk management framework for its short-term, medium term and long-term funding requirement.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



The table below summarizes the maturity profile of the Group's financial assets and financial liabilities based on contractual undiscounted payments:

Particulars	Less than 1year	1-5 years	> 5 years	Total
<b>March 31, 2019</b>				
Borrowings and interest thereon	97,849.66	3,327.40	8,895.96	1,10,073.02
Trade and other payables	14,186.99	-	-	14,186.99
Other financial liabilities	7581.60	553.56	-	8,135.16
<b>March 31, 2018</b>				
Borrowings and interest thereon	88635.46	3,547.45	10,775.89	1,02,958.80
Trade and other payables	12,890.83	-	-	12,890.83
Other financial liabilities	2027.19	1463.56	-	3,490.75

### 61.3 Fair value measurements

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

- Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

#### A. Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows:

Particulars	Note No	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total Carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
Investment in equity shares (Quoted)	5	-	-	-	-	-	-	-
Other Investment in equity shares (UnQuoted)	5	36.51		305.55			342.06	342.06
Other Investment in other than equity shares (UnQuoted)	5 & 12	0.01		359.21			359.22	359.22
Investment in Partnership Firm	5	-						
Investment in Associate body corporate	5	4,204.88					4,204.88	4,204.88
Investment in Joint Ventures	5	185.77					185.77	185.77
(b) Trade receivables	6&13	15,351.61					15,351.61	15,351.61
(c) Loans	-	-					-	-
(d) Other financial assets	7&16	12,891.56					12,891.56	12,891.56
(e) Cash and cash equivalent	14	1467.11					1467.11	1467.11
(f) Bank balances	15	758.92					758.92	758.92
<b>Liabilities:</b>								
(a) Borrowings	21&26	86,384.29					86,384.29	86,384.29
(b) Trade payables	27	13,988.85					13,988.85	13,988.85
(c) Other financial liabilities	22 & 28	36,888.93					36,888.93	36,888.93

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

Particulars	Note No	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total Carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
Investment in equity shares (Quoted)	5	-	-	-	-	-	-	-
Other Investment in equity shares (UnQuoted)	5	0.60	-	305.54	-	-	306.14	306.14
Other Investment in other than equity shares (UnQuoted)	5 & 13	0.01	-	375.16	-	-	375.17	375.17
Investment in Partnership Firm	5	Nil	-	-	-	-	-	-
Investment in Associate body corporate	5	4,204.88	-	-	-	-	4,204.88	4,204.88
Investment in Joint Ventures	5	179.67	-	-	-	-	179.67	179.67
(b) Trade receivables	7 & 14	15,808.23	-	-	-	-	15,808.23	15,808.23
(c) Loans	6	-	-	-	-	-	-	-
(d) Other financial assets	8 & 17	10,982.29	-	-	-	-	10,982.29	10,982.29
(e) Cash and cash equivalent	15	2,190.78	-	-	-	-	2,190.78	2,190.78
(f) Bank balances	16	301.33	-	-	-	-	301.33	301.33
<b>Liabilities:</b>								
(a) Borrowings	22&27	78,910.78	-	-	-	-	78,910.78	78,910.78
(b) Trade payables	28	12,980.83	-	-	-	-	12,980.83	12,980.83
(c) Other financial liabilities	23 & 29	27,538.77	-	-	-	-	27,538.77	27,538.77

## B. Fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3- Inputs for the assets or the liabilities that are not based on observable market data (unobservable inputs).

Assets	March 31, 2019			March 31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in equity shares (Unquoted)#	-	-	305.54	-	-	-
	-	-	<b>305.54</b>	-	-	-
Investment in other than equity shares (UnQuoted)	373.06	-	2.00	373.06	-	2.00
Investment in equity shares (Quoted)	-	-	-	-	-	-

#In absence of sufficient more recent information to measure fair value of the above investment, the cost has been considered as fair value.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 62. Income tax expense/(credit):

	Year ended March 31, 2019	Year ended March 31, 2018
<b>a. Components of Income Tax Expense</b>		
Current Tax		
Current year	2.31	0.46
Earlier year	(3.86)	(0.87)
<b>Deferred tax expense/(credit)</b>		
Current year	(0.16)	(121.29)
Earlier year		
Minimum Alternate Tax	(0.53)	(4.31)
<b>Income tax expense for the year recognised in the Statement of Profit and Loss</b>	<b>(2.24)</b>	<b>(126.00)</b>

### b. Reconciliation of Income tax expense to the accounting profit for the year

	Year ended March 31, 2019	Year ended March 31, 2018
Profit/(loss) before tax (adjusted)	(19,193.10)	(21,860.12)
Applicable income tax rate	34.61%	34.61%
Computed expected tax expense	(6,642.73)	(7,565.79)
Effect of current year's allowable unused tax losses as per Income tax Act 1961		
Effect of current year's unabsorbed depreciation as per Income tax Act 1961		
Other timing differences		
Deferred Tax Assets Written off		
Effect of deferred tax not recognized by the subsidiary companies on current year's losses		
Effect of excess income tax provision written off during the year on account of Income Tax Assessment pertaining to earlier years.		
<b>Income tax expense/(credit) on timing differences pertaining to current year (Total A)</b>		
Effect of earlier years' allowable on unused tax losses as per Income tax Act 1961		
Effect of earlier years' unabsorbed Dep as per Income tax Act 1961		
Effect of earlier years' provisions		
Effect of earlier years' items allowable on payment basis as per Income Tax Act, 1961		
<b>Effect of deferred tax assets recognized during current year on earlier year items (Total B)</b>		
<b>Total tax expense/(credit) for the year (A+B)</b>	<b>(2.24)</b>	<b>(126.00)</b>

\* Deferred tax assets on the loss for the year was not recognised.



## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 63. Disclosure pursuant to Indian Accounting Standard - 11 "Construction Contracts"

In terms of the disclosure required to be made under the Indian Accounting Standard - 11 "Construction Contracts" are as follows:

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Contract Revenue recognised as revenue during the period	6,952.43	13,779.90
(b) Aggregate amount of Contract costs incurred and recognised profits, less losses	1,32,309.07	130,406.23
(c) Advances received, net of recoveries from progressive bills	1,894.26	2,110.06
(d) Gross amount due from customers for contract works	11,322.29	12,077.39
(e) Retention Money	7,735.44	7,218.47

### 64. Foreign currency exposure:

The detail of un-hedge foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below:

Particulars	Currency	As at March 31, 2019		As at March 31, 2018	
		Foreign currency in million	₹ million	Foreign currency in million	₹ million
External Commercial Borrowing	USD	11.37	787.61	11.37	739.45
Short Term Borrowings	EURO	-	-	-	-
Trade Payables	AED	0.36	6.83	0.36	6.42
	SAR	0.43	8.02	0.43	7.54
	NPR	83.90	52.39	73.82	46.13
	KES	215.83	148.63	199.52	128.62
	KWD	0.85	193.17	0.85	184.32
	TZS	4194.32	125.70	4,194.32	120.84
Other Liabilities	AED	0.37	6.89	0.37	6.48
	NPR	1.54	0.96	1.54	0.96
	KES	581.86	400.72	559.88	360.94
	KWD	0.01	1.79	0.01	1.71
	TZS	564.93	16.93	564.93	16.28
Trade Receivables	AED	2.13	40.22	2.13	37.82
	SAR	-	-	-	-
	NPR	5.84	3.64	5.78	3.61
	KES	334.83	230.59	414.17	267.00
	KWD	0.95	215.34	0.95	205.49
	TZS	-	-	-	-
Loans and Advances	AED	0.53	10.33	0.55	9.71
	NPR	16.74	10.41	6.66	4.16

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Particulars	Currency	As at March 31, 2019		As at March 31, 2018	
		Foreign currency in million	₹ million	Foreign currency in million	₹ million
	KES	161.37	111.13	159.33	102.71
	KWD	0.05	10.94	0.05	10.44
	TZS	4705.99	141.04	4,705.99	135.58
Bank balances	AED	-	0.03	-	-
	SAR	-	-	-	-
	KES	183.13	126.12	151.92	97.93
	TZS	6.09	0.18	6.37	0.18
	NPR	0.36	0.22	0.36	0.21
Cash	SAR	-	-	-	-
	KES	-	-	0.20	0.13
	TZS	0.15	0.00	0.15	-
	NPR			-	-

### 65. Provision for resurfacing obligation

Certain subsidiary companies have a contractual obligation to periodically maintain, replace or restore infrastructure at the end of each five years or earlier as per the terms of the concession agreement. The Group has recognised the provision in accordance with Indian Accounting Standard 37 Provisions Contingent Liabilities and Contingent Assets, at the best estimate of expenditure required to settle the present obligation at the balance sheet date.

Particulars	As at April 1, 2018	Addition during the period	Amount used during the period	Unwinding of discount	As at March 31, 2019
Provision for resurfacing obligation	2,088.77	733.10	-	-	2,821.87

In respect of Jalandhar Amritsar Tollways Limited, Company required to the renewal of wearing surface of the road pavement one in 5 year in terms of clause 3.3.7 of Schedule L of Concession Agreement in addition to regular maintenance of the road. Resurfacing of road was due in April 2015 for first 5 years. However, management was unable to start the resurfacing of road due to funding issue. NHAI had issued a penalty notices on company on different dates for delay in laying of Overlay as per clause 18.13 of concession agreement amounting of ₹ 733.10 million till March 31,2019(previous year ₹ 531.30 million) During the year the company has provided the liability of ₹ 733.10 million in books of Accounts ended March 31, 2019.

In respect of Kumarapalayam Tollways Limited, Company required to the renewal of wearing surface of the road pavement once in 5 year in terms of clause 2.6.1 of Schedule L of Concession Agreement in addition to regular maintenance of the road, for which company need to provide for in its accounts annually. The company had not provided the annual provision for year March 31,2017 , March 31, 2018 & March 31,2019 total amounting of INR 311.30 Million as per estimation by management of overlaying for 40mm thickness .The second term of resurfacing is due in Aug 2019 . However, the company has requested to NHAI on 17.04.18 to permit laying of overlay limiting thickness to 25 mm as per Clause 209 of MORTH, 4th Revision. The estimated cost for overlaying for 25mm thickness will be INR 5.6 million per KM comes Approx. INR 271.60 million. The company has already provided the liability of Resurfacing upto 31.03.2019 amounting of INR 551.40 million which is already more than twice as required.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 66. Earning Per Share (EPS)

	Year ended 31.03.2019	Year ended 31.03.2018
(a) Net loss for the year (before OCI) for calculation of Basic and Diluted EPS (₹ in million)	(19,018.77)	(21,887.53)
(c) Weighted average number of equity shares outstanding for calculation of EPS	782,897.692	782,897.692
(d) Basic and Diluted EPS (₹)	(24.29)	(27.96)

### 67. Auditors Remuneration (Excluding Service tax)

	Year ended 31.03.2019	Year ended 31.03.2018
(a) Statutory Audit	5.00	5.00
(b) Limited Reviews	1.5	1.50
(c) Tax Audit	-	-
(d) Other Service	-	0.17
(e) Reimbursement of expense	0.17	0.05
	<b>6.67</b>	<b>6.72</b>

### 68. Dues to Micro and Small Enterprises

Information related to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company. The required disclosures are given below:

	As at 31.03.2019	As at 31.03.2018
(a) Dues remaining unpaid as at Balance Sheet date		
Principal amount	5.92	28.00
Interest on the above	8.71	27.00
(b) Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier and service providers beyond the appointed day during the period		-
Principal amount		-
Interest on the above		-
(c) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Act.		-
(d) 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.		-
(e) Interest accrued and remaining unpaid as at Balance Sheet date	14.63	27.00

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



69. List of Subsidiary companies which are included in the consolidation and the companies holding therein are as under:

a. Subsidiaries consolidated based on audited accounts.

S. No	Particulars
1	IVRCL PSC Pipes Private Limited
2	IVR Enviro Projects Private Limited
3	Kumarapalyam Tollways Limited
4	IVRCL Steel Construction & Services Limited
5	IVRCL Chengapalli Tollways Limited
6	Alkor Petroo Limited
7	IVRCL Building Products Limited
8	RIHIM Developers Private Limited
9	IVRCL Raipur Bilaspur Tollways Limited
10	IVR Hotels and Resorts Limited
11	IVR Prime Developers (Tambaram) Private Limited
12	IVR Prime Developers (Palakkad) Private Limited
13	IVR Prime Developers (Guindy) Private Limited
14	IVRCL Chandrapur Tollways Limited
15	Jalandhar Amritsar Tollways Limited
16	Salem Tollways Limited
17	IVRCL TLT Private Limited
18	IVRCL Patalanga Truck Terminals Private Limited
19	Kunnam Developers Private Limited
20	Tirumani Developers Private Limited
21	Samatteri Developers Private Limited
22	IVR Prime Developers ( Amalapuram) Private Limited
23	IVR Prime Developers ( Guntur ) Private Limited
24	Absorption Aircon Engineer Private Limited
25	Bibinagar Developers Private Limited
26	Annupampattu Developers Private Limited
27	liavampedu Developers Private Limited
28	Chodavaram Developers Private Limited
29	IVR Prime Developers ( Adayar) Private Limited
30	IVR Prime Developers ( Egmore) Private Limited
31	IVR Vanaprastha Private Developers Pvt Ltd
32	IVR PUDL Resorts & Club Pvt Ltd
33	IVRCL Patiala Bhatinda Tollways Limited
34	IVRCL Narnaul Bhiwani Tollways Limited
35	IVRCL Megamalls Limited
36	Agaram Developers Private Limited
37	Simhachalam Prime Developers Private Limited
38	IVR Prime Developers ( Red Hills ) Private Limited
39	IVR Prime Developers ( Tuni ) Private Limited

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



S. No	Particulars
40	IVR Prime Developers ( Bobbili ) Private Limited
41	IVR Prime Developers ( Bhimavaram ) Private Limited
42	Mummidu Developers Private Limited
43	IVRCL Solar Energy Private Limited
44	Siripuram Developers Private Limited
45	IVR Prime Developers ( Erode ) Private Limited
46	IVR Prime Developers ( Araku ) Private Limited
47	Gajuwaka Developers Private Limited
48	Duvvada Developers Private Limited
49	Kasibugga Developers Private Limited
50	Vedurwada Developers Private Limited
51	Eluru Developers Private Limited
52	Theata Developers Private Limited
53	Vijaywada Developers Private Limited
54	Rudravaram Developers Private Limited
55	Geo IVRCL Engineering Limited
56	Geo Prime Developers Private Limited
57	IVRCL EPC Limited

- b. Subsidiaries consolidated based on unaudited accounts.

Financial Statements/financial information in respect of below mentioned subsidiary companies have been incorporated in consolidated financial statements based on unaudited accounts. The management has exercised necessary due diligence to ensure that the financial statements/financial information of such subsidiary companies provide a true and fair view of the affairs of such companies and are in compliance with Indian Accounting standards notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standard) Rules, 2015.

S. No	Name of the Subsidiary Company
1	IVRCL Lanka Private Limited
2	Chennai Water Desalination Limited
3	IVRCL Caedagua Hogenakkal Water Treatment Co. Private Limited
4	SPB Developers Private Ltd

70. (a) Subsidiaries not included in consolidation

S. No	Name of the Company
1	Hindustan Dorr Oliver Limited
2	HDO Technologies Limited
3	HDO (UK) Limited
4	HDO Zambia Limited
5	Davymarkham ( India ) Private Limited
6	First STP Private Limited
7	Sapthashva Solar Limited
8	IVRCL Gundugolanu Rajamundry Tollways Limited
9	Chengapally Road Infra Private Limited

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



(b) Associates not included in consolidation

S. No	Name of the Company	Share of Interest
1	IVRCL International Infrastructures & Projects LLC	49.00%
2	Sushee - IVRCL Arunachal Highway Limited	26.00%
3	IVRCL Indore Gujarat Tollways Limited	49.00%

Financial statements of above associates could not be obtained accordingly no adjustment is made in value of investment.

## 71. Related Party Disclosure

Information regarding Related Party Transactions as per Indian Accounting Standard 24 is given below:

### 71.1 List of related party and relationship

#### A. Associate Companies

S. No.	Name of the Company	Country of Incorporation	Company's Holding as at (%)	
			March 31, 2019	March 31, 2018
1	IVRCL International Infrastructures & Projects LLC	UAE	49.00	49.00
2	Sushee - IVRCL Arunachal Highway Limited	India	26.00	26.00
3	IVRCL Indore Gujarat Tollways Limited	India	49.00	49.00

#### B. Joint Arrangements

The Company's joint venture as at March 31, 2019 is set out below. It has interest in joint ventures consisting of the proportion of ownership interests held by the Company. The principal place of business of these joint ventures is in India and is engaged in construction and infrastructure projects.

S No	Name of the entity	Name of the Joint venture partner	% of ownership interest held by the company	
			As at March 31, 2019	As at March 31, 2018
1	IVRCL - NAVAYUGA & SEW (JV)	i) SEW constructions Limited		
		ii) Navyuga engineering Co. Limited	35.75%	35.75%
2	IVRCL,SEW & PRASAD (J.V)#	i) SEW constructions Limited		
		ii) M/s. Prasad & Co. (Project works) Limited.	50.00%	50.00%
3	IVRCL-CR18G (JV) HYDERABAD#	i) China Railway 18th Bureau (Group) Co. Limited	90.00%	90.00%
4	IVRCL - SUSHEE JOINT VENTURE#	i) Sushee infra Pvt Limited	51.00%	51.00%
5	IVRCL - BPL -UCC – JV#	i) M/s. Backbone Project Limited		
		ii) M/s. Unity construction Co.	60.00%	60.00%
6	IVRCL - RTE JV A/C#	i) Rocktech engineers	80.00%	80.00%
7	IVRCL-KMB-HDO JOINT VENTURE#	i) PJSC "Kyivmetrobud"		

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



S No	Name of the entity	Name of the Joint venture partner	% of ownership interest held by the company	
			As at March 31, 2019	As at March 31, 2018
		ii) Hindustan Dorr-Oliver Limited	70.00%	70.00%
8	Bhanu IVRCL Associate#	i) Bhanu construction	50.00%	50.00%
9	IVRCL Tantia JV#	i) Tantia Construction Co.	50.00%	50.00%
10	IVRCL, BATPASCO, ABB & AAG (J.V.)	i) M/s. BT Patil & sons Belgaum (Construction Limited)		
		ii) M/s. ABB Limited		
		iii) M/s. Andritz AG	85.00%	85.00%
11	IVRCL, BATPASCO, WPIL & MHI (J.V.)	i) M/s. BT Patil & sons Belgaum(Construction Ltd)		
		ii) M/s. WIPL Limited		
		iii) M/s. Mitsubishi Heavy Industries Limited	70.00%	70.00%
12	IVRCL-CR18G CONSORTIUM	i) China Railway 18th Bureau (Group) Co. Limited	70.00%	70.00%
13	IVRCL HARSHA (JV)	i) Harsha	80.00%	80.00%
14	IVRCL - JL (JV)	i) M/s. Jyoti Limited	90.00%	90.00%
15	IVRCL-KBL (JV) -L1	i) M/s. Kirloskar brothers Limited	80.00%	80.00%
16	IVRCL-KBL-MEIL (JV)	i) Megha engineering & infrastructure Limited		
		ii) M/s. Kirloskar brothers Limited	65.00%	65.00%
17	IVRCL -KIPL JV	i) M/s. KIPL	50.00%	50.00%
18	IVRCL - MBL (J.V) HYD	i) M/s. Mulay brothers Limited	75.00%	75.00%
19	IVRCL - SEW - WIPL (JV)	i) SEW constructions Limited		
		ii) M/s. WIPL Limited	60.00%	60.00%
20	IVRCL SUSHEE CONSORTIUM	i) Sushee infra Pvt Limited	51.00%	51.00%
21	IVRCL - M C C D L - T C L - D M CONSORTIUM	i) MMCDL, TCL, DM	65.00%	65.00%
22	IVRCL NAVAYUGA & SEW (JV)#	i) Navyuga engineering Co. Ltd.		
		ii) SEW constructions Limited	35.75%	35.75%
23	SAPL & MBL-IVRCL (JV)	i) M/s. Shreehari associates (P) Limited		
		ii) M/s. Mulay brothers Limited	39.00%	39.00%
24	SPCL & IVRCL(JV)	i) SPCL	49.00%	49.00%



# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



S No	Name of the entity	Name of the Joint venture partner	% of ownership interest held by the company	
			As at March 31, 2019	As at March 31, 2018
25	U.A.N RAJU-IVRCL (KASHMIR) JV	i) UAN Raju Constructions Limited	51.00%	51.00%
26	UNITY IVRCL (JV)	i) Unity InfraProjects Limited	50.00%	50.00%
27	CR 18 G - IVRCL JV	i) China Railway 18th Bureau (Group) Co. Limited	30.00%	30.00%
28	IVRCL & RAJ JOINT VENTURE	i) M/s. Raj	32.17%	32.17%
29	KMB - IVRCL JOINT VENTURE	i) M/s. PJSC "Kyivmetrobud"	49.00%	49.00%
30	IVRCL-MRT(J.V)	i) M/s. MRT Signals Limited	85.00%	85.00%
31	IVRCL -G SHANKAR (JV).	i) Sri G Shankar	25.00%	25.00%
32	IVRCL-MVPR (JV)	i) M/s. MVPR Infrastructure Limited.	51.00%	51.00%

# the company is lead partner and has significant influence over joint ventures accordingly interest in joint venture is accounted as investment at cost. In case of others the other party to join venture is lead partner and accordingly the interest in such joint ventures is accounted in accordance with Ind AS 109 "Financial instruments".

## C Enterprises owned or significantly influenced by key management personnel or their relatives

1	S.V. Equities Limited <sup>1</sup>	5	Eragam Finlease Limited <sup>1</sup>
2	Palladium Infrastructures & Projects Limited <sup>1</sup>	6	Indus Palms Hotels & Resorts Limited
3	Soma Hotels & Resorts Limited	7	A.P. Enercon Engineers Private Limited
4	Eragam Holdings Limited	8	IOTL Utkal Services Limited

<sup>1</sup> Refer note 67.4 for corporate guarantee provided by companies under common control.

## D Key Management Personnel

1	Mr. E. Sudhir Reddy	Former Chairman & Managing Director
2	Mr. R. Balarami Reddy	Former CFO
3	Mr. B. Subrahmanyam	Company Secretary

## E Relatives of Key Management Personnel

1	Mrs. E. Sujatha Reddy	
2	Mr. E. Sunil Reddy	
3	Mr. E. Sidhanth Reddy	Relative of Chairman & Managing Director
4	Mr. E. Sanjeet Reddy	
5	Miss E. Soma Reddy	
6	Miss E. Suha Reddy	

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 71.2 Disclosure of transactions between company and related parties and the status of outstanding balances as on March 31, 2019.

#### A. Transaction during the year

The related party transactions were made on terms equivalent to those that prevail in arm's length transaction.

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Contract Revenue / Other Operational Income						
Hindustan Dorr-Oliver Limited	-	0.69		-		-
IVRCL Indore Gujarat Tollways Limited	-	-		-	491.77	319.58
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	-	-	701.03	991.32		-
IVRCL BATPASCO ABB & AAG JV			231.01	-		
NAVAYUGA IVRCL & SEW JV	-	-	(87.97)	(106.43)		-
G.SHANKAR-IVRCL (J.V)	-	-	-	231.29		-
IVRCL DRN-INFRA JV	-	-	-	1,985.45		-
IVRCL-MCCDL-TCL-DM CONSORTIUM			486.92			
Others	-	-	104.70	1,730.56		-
<b>Total</b>	-	<b>0.69</b>	<b>1,435.69</b>	<b>4832.19</b>	<b>491.77</b>	<b>319.58</b>
Sub-contracting Work Expenses/ Purchase of construction Material						
Navayuga, IVRCL & SEW Joint Venture	-	-	-	36.90	-	-
IVRCL BATPASCO WIPL & MHI JV	-	-	245.47	452.04	-	-
IVRCL - CR18G (JV)	-	-	-	18.75	-	-
G.SHANKAR-IVRCL (J.V)	-	-	-	213.29	-	-
IVRCL DRN-INFRA JV	-	-	-	1,734.26	-	-
Palladium Infrastructures & Projects Limited	-	-	-	-	-	132.06
Others	-	-	-	83.61	-	-
<b>Total</b>	-	-	<b>245.47</b>	<b>2538.85</b>	-	<b>132.06</b>
Sale of Construction Material						
Palladium Infrastructures & Projects Limited	-	-	-	-	1.00	22.30
<b>Total</b>	-	-	-	-	<b>1.00</b>	<b>22.30</b>
Sale of Assets						
Palladium Infrastructure & Projects Limited	-	-	-	-		36.00
<b>Total</b>	-	-	-	-		<b>36.00</b>
Interest Expense on Mobilisation Advance						
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	-	-	-	-	-	-
IVRCL - CR18G Consortium(JV)	-	-	-	-	-	-
SAPL & MBL - IVRCL (JV)	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Provision for doubtful Advances &amp; Debtors</b>						
Hindustan Dorr Oliver Limited	-	(4.54)	-	-	-	-

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Others	-	-	-	58.75	-	-
<b>Total</b>	-	(4.54)	-	58.75	-	-
<b>Loans /Advances Given</b>						
IVRCL-MCCDL-TCL-DM Consortium	-	-	80.31	(31.61)	-	-
SAPL & MBL - IVRCL (JV)	-	-	-	-	-	-
Others	(18.78)	(24.80)	28.16	14.83	(0.72)	(0.18)
<b>Total</b>	<b>(18.78)</b>	<b>(24.80)</b>	<b>108.47</b>	<b>(16.78)</b>	<b>(0.72)</b>	<b>(0.18)</b>
<b>Investment in Equity Shares</b>						
IVRCL - Navayuga & Sew	-	-	3.40	2.98	-	-
IVRCL, Sew & Prasad	-	-	2.70	15.19	-	-
IVRCL-CR18G (JV) Hyderabad	-	-	-	0.75	-	-
IVRCL - Sushee Joint Venture	-	-	-	(0.03)	-	-
IVRCL – RTE	-	-	-	(0.05)	-	-
IVRCL-KMB-HDO	-	-	-	(0.14)	-	-
IVRCL EPC Limited	-	-	-	-	-	-
Others	-	-	-	(0.16)	-	-
<b>Total</b>	-	-	<b>6.10</b>	<b>18.54</b>	-	-

## B. Closing balance as on March 31, 2019

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Loans and advances</b>						
Hindustan Dorr Oliver Limited	261.46	261.46	-	-	-	-
UAN Raju IVRCL Construction JV	-	-	112.70	112.72	-	-
UNITY – IVRCL Joint Venture	-	-	386.69	386.73	-	-
IVRCL International Infrastructures & Projects LLC	-	-	-	-	26.21	26.75
SAPL & MBL - IVRCL (JV)	-	-	99.50	87.83	-	-
IVRCL Indore gujrat tollways	-	-	-	-	-	35.48
Others	-	-	335.05	221.46	-	-
<b>Total</b>	<b>659.91</b>	<b>654.05</b>	<b>933.94</b>	<b>808.74</b>	<b>26.21</b>	<b>62.23</b>
<b>Other Payables (Advances Payable)</b>						
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	146.09	639.56
IVRCL JL JV	-	-	0.25	0.25	-	-
IVRCL – KBL (JV) Hyderabad	-	-	27.82	59.57	-	-
IVRCL – KBL – MEIL (JV) Hyderabad	-	-	140.72	185.22	-	-
IVRCL BATPASCO WIPL & MHI JV	-	-	24.49	75.54	-	-
IVRCL SEW & WIPL JV	-	-	16.29	31.29	-	-
IVRCL MBL JV	-	-	-	11.70	-	-
IVRCL-MRT(JV)	-	-	12.41	37.30	-	-
IVRCL-MCCDL-TCL-DM CONSORTIUM	-	-	-	50.03	-	-
Others	-	-	27.46	26.72	-	-
<b>Total</b>	-	-	<b>249.44</b>	<b>477.62</b>	<b>146.09</b>	<b>639.56</b>

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Trade Payables for Construction Expenses</b>						
Palladium Infrastructures & Projects Limited	-	-	-	-	82.40	95.19
IVRCL, SEW & Prasad Hyderabad J.V	-	-	94.56	94.56	-	-
IVRCL – KBL – MEIL (JV) Hyderabad	-	-	77.55	76.43	-	-
MEIL IVRCL HCC & WPIL (JV)	-	-	80.14	80.14	-	-
IVRCL -G SHANKAR (JV).	-	-	179.45	179.45	-	-
IVRCL DRN-INFRA JV	-	-	323.98	323.98	-	-
Others	-	-	251.39	279.40	2.59	2.29
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,007.07</b>	<b>1,033.96</b>	<b>84.99</b>	<b>97.48</b>
<b>Provision for Doubtful Advances and Debtors</b>						
Bhanu IVRCL Associates	-	-	32.12	32.12	-	-
SPCL - IVRCL JV	-	-	30.49	30.49	-	-
UAN Raju IVRCL Construction JV	-	-	112.72	112.72	-	-
IVRCL – Harsha (JV)	-	-	35.74	35.74	-	-
IVRCL Tantia Joint Venture	-	-	0.62	0.62	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>211.69</b>	<b>211.69</b>	<b>-</b>	<b>-</b>
<b>Trade Receivables, Retention Money (with BG Encashment) and other deposits</b>						
Hindustan Dorr-Oliver Limited	356.53	356.51	-	-	-	-
IVRCL, SEW & Prasad Hyderabad J.V	-	-	677.04	708.85	-	-
IVRCL, Navayuga& SEW Joint Venture	-	-	319.09	306.93	-	-
Navyuga, IVRCL & SEW J.V	-	-	2.54	6.75	-	-
IVRCL BATPASCO ABB & AAG (JV) Hyderabad	-	-	361.07	308.09	-	-
CR18G - IVRCL (JV)	-	-	315.39	315.39	-	-
IVRCL - KBL - MEIL (JV) Hyderabad	-	-	85.00	97.50	-	-
IVRCL – KBL (JV) Hyderabad	-	-	132.40	162.71	-	-
IVRCL JL JV	-	-	54.73	54.73	-	-
KMB - IVRCL JOINT VENTURE	-	-	871.78	871.78	-	-
IVRCL - CR18G Consortium (J.V)	-	-	211.95	187.60	-	-
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	-	-	360.77	405.65	-	-
MEIL IVRCL HCC & WPIL (JV)	-	-	101.40	101.40	-	-
IVRCL -G SHANKAR (JV).	-	-	215.38	215.38	-	-
IVRCL DRN-INFRA JV	-	-	344.73	344.73	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	195.73	570.42
Others	-	-	1,150.82	855.38	-	-
<b>Total</b>	<b>356.53</b>	<b>356.51</b>	<b>5,204.09</b>	<b>4942.87</b>	<b>195.73</b>	<b>570.42</b>

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Mobilisation &amp; Material Advance Received</b>						
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	-	208.29
IVRCL CR18G CONSORTIUM	-	-	17.13	17.13	-	-
SAPL & MBL – IVRCL (JV)	-	-	72.18	72.18	-	-
Others	-	-	0.40	0.40	-	-
<b>Total</b>			<b>89.71</b>	<b>89.71</b>	-	<b>208.29</b>
<b>Rent Deposit Given</b>						
Palladium Infrastructures & Projects Limited	-	-	-	-	1.38	1.38
Indus Palms Hotels & Resorts Limited	-	-	-	-	2.64	2.64
A.P. Enercon Engineers Private Limited	-	-	-	-	2.58	2.58
<b>Total</b>	-	-	-	-	<b>6.60</b>	<b>6.60</b>
<b>Loans /Advances(Long Term Loans Given)</b>						
IVRCL Indore Gujarat Tollways	-	-	-	-	35.48	35.48
<b>Total</b>			-	-	<b>35.48</b>	<b>35.48</b>
<b>Corporate Guarantee</b>						
Hindustan Dorr-Oliver Limited*	10,927.80	15,796.52	-	-	-	-
IVRCL Indore Gujarat Tollways Limited	-	-	-	-	17,288.28	19,234.00
Sushee IVRCL Arunachal Highways Limited*	-	-	-	-	-	15,603.00
<b>Total</b>	<b>10,927.80</b>	<b>15,796.52</b>	-	-	<b>17,288.28</b>	<b>34,837.00</b>

\* Corporate guarantee figures subject to reconciliation and confirmation from the lenders and are based on outstanding book balance of the borrower Company as per unaudited financial statements.

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 71.3 Transactions with Key Management Personnel/Relatives

Key Management Personnel/ Relatives	Remuneration#		Office Rent		Rent Deposit		Advance		Loan	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1. Mr. E. Sudhir Reddy	-	6.23	2.47	3	0.5	0.5	-	4.15	16.71	16.71
2. Mr. K. Ashok Reddy	-	0.81		-		-		2.43	-	2.43
3. Mr. R. Balarami Reddy	5.43	1.23		-		-		0.25		-
4. Mr. B. Subrahmanyam	2.27	1.98				-		3.76		-
5. Relatives	-	-	3.89	6.38	1.44	1.44		-		-
<b>Total</b>	<b>7.7</b>	<b>10.25</b>	<b>9.38</b>	<b>9.38</b>	<b>1.94</b>	<b>1.94</b>	<b>10.59</b>	<b>10.59</b>	<b>16.71</b>	<b>19.14</b>

# The above figure does not include expense towards post employment benefit valued by an actuary, as separate figures are not available.

### 72. The following investments in equity/preference shares have been pledged in respect of loans taken by the company and its subsidiaries and associates:

S. No.	Name of the company	No. of shares as at 31.3.2019	No. of shares as at 31.3.2018	Pledged in favour of
1	IVRCL INDORE GUJARAT TOLLWAYS LIMITED	13,075,395	13,075,395	IDBI TRUSTEESHIP SERVICES Ltd
		16,364,031	16,364,031	IFCI Fianancial Services Ltd
2	IVRCL Chengapalli Tollways Limited	11,094,673	11,094,673	IDBI TRUSTEESHIP SERVICES Ltd
		10,659,587	10,659,587	IFCI Fianancial Services Ltd
3	IVRCL Chandrapur Tollways Limited	13,705,230	13,705,230	IDBI TRUSTEESHIP SERVICES LTD
		5,796,580	5,796,580	SBICAP TRUSTEE COMPANY LTD
		5,127,870	5,127,870	INDUSIND BANK
4	JALANDHRA AMRITSAR TOLLWAYS LIMITED	4,560,000	4,560,000	Canara Bank
		31,654,527	31,654,527	SBICAP TRUSTEE COMPANY LTD
		26,164,612	26,164,612	IDBI TRUSTEESHIP SERVICES LTD
5	SALEM TOLLWAYS LIMITED	15,237,039	15,237,039	TATA Capital
		5,000,000	5,000,000	SBICAP TRUSTEE COMPANY LTD (Preferential Shares face Value of ₹ 100/-)
6	KUMARAPALAYAM TOLLWAYS LIMITED	19,161,516	19,161,516	IDBI TRUSTEESHIP SERVICES LTD
		11,158,765	11,158,765	TATA Capital
7	CHENNAI WATER DESALINATION LIMITED	66,166,080	66,166,080	Canara bank
		25,947,482	25,947,482	Indusindbank
8	SPB DEVELOPERS Private Limited*	14,079,060	14,079,060	Andhra bank
		8,281,800	8,281,800	ICICI Bank

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



S. No.	Name of the company	No. of shares as at 31.3.2019	No. of shares as at 31.3.2018	Pledged in favour of
9	IOT UTKAL ENERGY SERVICES LIMITED	36,750,000	36,750,000	IDBI TRUSTEESHIP SERVICES LTD
		60,250,000	60,250,000	SBICAP TRUSTEE COMPANY LTD
10	HINDUSTAN DORR-OLIVER LIMITED	21,155,306	21,155,306	Bank of India
11	Sushee – IVRCL Arunachalhighways Ltd	24,687,000	24,687,000	Sushee Infra Private Ltd
		6,630	6,630	IDBI Trusteeship Services Ltd
12	IVRCL PSC Pipes Private Limited	167,000	167,000	SBICAP TRUSTEE COMPANY LTD
13	IVR Enviro Projects Private Limited	2,924,550	2,924,550	SBICAP TRUSTEE COMPANY LTD
14	IVRCL Steel Construction & Services Limited	50,000	50,000	SBICAP TRUSTEE COMPANY LTD
15	IVRCL-Cadagua Hogenakkal Water Treatment Company Pvt Ltd	6,000	6,000	SBICAP TRUSTEE COMPANY LTD
16	IVRCL Building Products Limited	599,995	599,995	SBICAP TRUSTEE COMPANY LTD
17	Saptashva Solar Limited	52,100	52,100	SBICAP TRUSTEE COMPANY LTD
18	IVRCL TLT Private Limited	10,000	10,000	SBICAP TRUSTEE COMPANY LTD
19	IVRCL Raipur – Bilaspur Tollways Limited	49,990	49,990	SBICAP TRUSTEE COMPANY LTD
20	IVRCL Narnual Bhiwani Tollways Limited	49,990	49,990	SBICAP TRUSTEE COMPANY LTD
21	First STP Private Limited	2,850,000	2,850,000	SBICAP TRUSTEE COMPANY LTD
22	IVRCL Gundugolanu Rajahmundry Tollways Limited	49,900	49,900	SBICAP TRUSTEE COMPANY LTD
23	IVRCL Patiala Bathinda Tollways Limited	49,900	49,900	SBICAP TRUSTEE COMPANY LTD
24	IVR Prime Developers (Tambaram) Private Limited	10,000	10,000	SBICAP TRUSTEE COMPANY LTD
25	RIHIM Developers Private Limited	10,000	10,000	SBICAP TRUSTEE COMPANY LTD



## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



### 73. List of interest in other entities

S I . No.	Name of the Company	Country of Incorporation	% of Group's ownership		Principle Activity
			March 31, 2019	March 31, 2018	
1	Hindustan Dorr-Oliver Limited	India	55.03	55.03	EPC
2	IVRCL PSC Pipes Private Limited	India	66.43	66.43	Manufacturing
3	IVR Enviro Projects Private Limited	India	97.49	97.49	Real estate development
4	Chennai Water Desalination Limited	India	75.00	75.00	Water desalination
5	Salem Tollways Limited	India	100.00	100.00	Road Infrastructure
6	Kumarapalyam Tollways Limited	India	100.00	100.00	Road Infrastructure
7	IVRCL Steel Construction & Services Limited	India	100.00	100.00	Construction
8	Jalandhar Amritsar Tollways Limited	India	100.00	100.00	Road Infrastructure
9	IVRCL Chengapalli Tollways Limited	India	100.00	100.00	Road Infrastructure
10	IVRCL Patalaganga Truck Terminals Private Limited	India	100.00	100.00	Construction
11	IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited	India	60.000	60.000	Construction
12	Alkor Petroo Limited	India	64.03	64.03	Petroleum exploration
13	IVRCL Building Products Limited	India	60.00	60.00	Construction
14	IVRCL Chandrapur Tollways Limited	India	100.00	100.00	Road Infrastructure
15	Sapthashva Solar Limited	India	51.00	51.00	Manufacturing
16	RIHIM Developers Private Limited2	India	100.00	100.00	Real estate development
17	IVRCL TLT Private Limited	India	100.00	100.00	Manufacturing
18	IVRCL Raipur Bilaspur Tollways Limited	India	100.00	100.00	Road Infrastructure
19	IVRCL Narnual Bhiwani Tollways Limited	India	100.00	100.00	Road Infrastructure
20	IVR Hotels and Resorts Limited	India	66.88	66.88	Hotel & Resorts
21	SPB Developers Private Limited	India	100.00	100.00	Road Infrastructure
22	IVRCL Lanka (Private) Limited	Sri Lanka	100.00	100.00	Construction
23	First STP Private Limited	India	100.00	100.00	Construction
24	IVRCL Gundugolanu Rajahmundry Tollways Limited	India	100.00	100.00	Road Infrastructure
25	IVRCL Patiala Bathinda Tollways Limited	India	100.00	100.00	Road Infrastructure
26	IVR Prime Developers (Tambaram) Private Limited	India	100.00	100.00	Real estate & development
27	HDO Technologies Limited	India	100.00	100.00	Manufacturing
28	HDO (UK) Limited	UK	100.00	100.00	Manufacturing
29	Davymarkham (India) Private Limited	India	100.00	100.00	EPC
30	HDO Zambia Limited	Zambia	100.00	100.00	EPC
31	IVR Prime Developers (Palakkad) Private Limited	India	100.00	100.00	Real estate & development

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



S I . No.	Name of the Company	Country of Incorporation	% of Group's ownership		Principle Activity
			March 31, 2019	March 31, 2018	
32	IVR Prime Developers (Guindy) Private Limited	India	100.00	100.00	Real estate & development
33	IVRCL Mega Malls Limited	India	100.00	100.00	Real estate & development
34	Agaram Developers Private Limited	India	100.00	100.00	Real estate & development
35	Mummidhi Developers Private Limited	India	100.00	100.00	Real estate & development
36	Samatteri Developers Private Limited	India	100.00	100.00	Real estate & development
37	Annupampattu Developers Private Limited	India	100.00	100.00	Real estate & development
38	Tirumani Developers Private Limited	India	100.00	100.00	Real estate & development
39	Ilavampedu Developers Private Limited	India	100.00	100.00	Real estate & development
40	Gajuwaka Developers Private Limited	India	100.00	100.00	Real estate & development
41	Chodavaram Developers Private Limited	India	100.00	100.00	Real estate & development
42	Simhachalam Prime Developers Private Limited	India	100.00	100.00	Real estate & development
43	Siripuram Developers Private Limited	India	100.00	100.00	Real estate & development
44	Bibinagar Developers Private Limited	India	100.00	100.00	Real estate & development
45	IVR Prime Developers (Erode) Private Limited	India	100.00	100.00	Real estate & development
46	IVR Prime Developers (Guntur) Private Limited	India	100.00	100.00	Real estate & development
47	IVR Prime Developers (Araku) Private Limited	India	100.00	100.00	Real estate & development
48	Absorption Aircon Engineer Private Limited	India	100.00	100.00	Real estate & development
49	IVR Vaanaprastha Private Limited	India	100.00	100.00	Real estate & development
50	IVR PUDL Resorts & Clubs Private Limited	India	100.00	100.00	Real estate & development
51	IVRCL Solar Energy Private Limited	India	100.00	100.00	Solar Energy
52	IVR Prime Developers (Amalapuram) Private Limited	India	100.00	100.00	Real estate & development
53	IVR Prime Developers (Red Hills) Private Limited	India	100.00	100.00	Real estate & development
54	IVR Prime Developers (Tuni) Private Limited	India	100.00	100.00	Real estate & development

## Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



S I . No.	Name of the Company	Country of Incorporation	% of Group's ownership		Principle Activity
			March 31, 2019	March 31, 2018	
55	IVR Prime Developers (Bobbilli) Private Limited	India	100.00	100.00	Real estate & development
56	IVR Prime Developers (Bhimavaram) Private Limited	India	100.00	100.00	Real estate & development
57	IVR Prime Developers (Adayar) Private Limited	India	100.00	100.00	Real estate & development
58	IVR Prime Developers (Egmore ) Private Limited	India	100.00	100.00	Real estate & development
59	Geo IVRCL Engineering Limited	India	100.00	100.00	EPC
60	Duvvda Developers Private Limited	India	100.00	100.00	Real estate & development
61	Kunnam Developers Private Limited	India	100.00	100.00	Real estate & development
62	Vedurwada Developers Private Limited	India	100.00	100.00	Real estate & development
63	Rudravaram Developers Private Limited	India	100.00	100.00	Real estate & development
64	Geo Prime Developers Private Limited	India	100.00	100.00	Real estate & development
65	Theata Developers Private Limited	India	100.00	100.00	Real estate & development
66	Kasibugga Developers Private Limited	India	100.00	100.00	Real estate & development
67	Vijayawada Developers Private Limited	India	100.00	100.00	Real estate & development
68	Eluru Developers Private Limited	India	100.00	100.00	Real estate & development
69	Chengapally Road Infra Private Limited	India	100.00	100.00	Road Infrastructure
70	IVRCL EPC Limited	India	100.00	100.00	EPC

### 74. Segment Reporting

#### a) Business segment:

The Group has considered "Engineering & Construction", "Real estate & others" and "Manufacturing" as one business segment for disclosure in the context of Indian Accounting Standard 108 "Operating Segment".

#### b) Geographical Segment:

During the period under report, the Group has engaged in its business primarily within india. The conditions prevailing in india being uniform, no seprate geographical disclosure is considered necessary.

Engineering & construction includes details of goods traded by Hindustan Dorr oliver Limited, a subsidiary Company.

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Particulars	March 31, 2019				March 31, 2018			
	Engineering & Construction	Real Estate & Others	Manufacturing	Total	Engineering & Construction	Real Estate & Others	Manufacturing	Total
Total Revenue	12,248.50	3.77	274.01	12,526.29	18,726.60	11.48	502.58	19,240.65
Inter-Segment Sales	(24.97)	-	-	(24.97)	(196.03)	-	-	(196.03)
External Sales	12,223.53	3.77	274.01	12,501.32	18,530.57	11.48	502.58	19,044.62
Segment Loss before financial, exceptional item and tax	(2,511.46)	(21.56)	4.86	(2,528.16)	(3,844.81)	(33.51)	21.69	(3,856.63)
Finance Cost								
Allocated	(14,837.96)	(93.07)	(1.65)	(14,932.68)	(13,166.10)	(82.53)	(0.92)	(13,249.55)
Other Income	405.17	2.06	8.98	416.21	1,308.02	1.55	2.59	1,384.16
Exceptional Items	(1732.28)	-	-	(1732.28)	(4753.95)	-	-	(4753.95)
Loss before tax	(19,081.70)	(114.63)	3.21	(19,193.12)	(21,764.83)	(116.03)	20.77	(21,860.13)
Segment assets	103473.61	10,300.57	429.98	114,204.16	104,721.19	10,560.24	460.58	115,472.02
Unallocated corporate assets				700.95				690.07
<b>Total Assets</b>				<b>114,905.11</b>				<b>116,432.09</b>
Segment liabilities	148476.16	918.37	30.58	149,425.11	130,620.27	1,030.38	66.15	131,716.79
<b>Total Liabilities</b>				<b>149,425.11</b>				<b>131,716.79</b>
Depreciation	2,390.87	16.50	14.03	2,421.40	2,836.44	15.98	21.58	2,874.00
Non cash expenses other than depreciation	502.23	-	-	502.23	1,369.46	14.09	-	1,383.56
Capital expenditure	-	-	-	-	4.47	-	1.48	5.95

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



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

Sl. No.	Name of the entity in the Group	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 a % of consolidated net assets	Amount (₹ In million)	As a % of consolidated profit or loss	Amount (₹ In million)	As a % of consolidated Other Comprehensive Income	Amount (₹ In million)	As a % of consolidated total Comprehensive Income	Amount (₹ In million)
1	IVRCL Limited	91.23	-31,493.78	80.50	-15,452.68	238.46	0.62	80.50	-15,452.06
	Indian Subsidiaries								
2	Salem Tollways Limited	1.08	-371.15	3.09	-593.93	-230.77	-0.60	3.10	-594.53
3	Kumarapalyam Tollways Limited	3.27	-1,129.89	3.49	-670.74	-169.23	-0.44	3.50	-671.18
4	Jalandhar Amritsar Tollways Limited	2.16	-745.10	5.14	-986.48	-446.15	-1.16	5.15	-987.64
5	SPB Developers Private Limited	-2.04	704.83	0.02	-4.07	-	-	0.02	-4.07
6	IVRCL Chengapalli Tollways Limited	-1.46	502.61	2.86	-549.80	692.31	1.80	2.85	-548.00
7	IVR Hotels and Resorts Limited	-11.48	3,964.56	0.59	-112.60	-	-	0.59	-112.60
8	Alkor Petroo Limited	-0.08	27.27	-0.00	0.31	-	-	-0.00	0.31
9	IVRCL Chandrapur Tollways Limited	-5.77	1,993.37	1.48	-283.84	69.23	0.18	1.48	-283.66
10	IVR Enviro Projects Private Limited	0.02	-7.43	0.00	-0.05	-	-	0.00	-0.05
11	IVRCL PSC Pipes Private Limited	0.01	-2.57	0.00	-0.01	-	-	0.00	-0.01
12	Chennai Water Desalination Limited	-0.03	9.31	-1.01	194.54	-	-	-1.01	194.54
13	IVRCL Patiala Bathinda Tollways Limited	-0.00	0.28	0.00	-0.01	-	-	0.00	-0.01
14	IVRCL Narnaul Bhiwani Tollways Limited	-0.00	0.43	0.00	-0.01	-	-	0.00	-0.01
15	IVRCL Raipur Bilaspur Tollways Limited	0.05	-18.53	0.00	-0.03	-	-	0.00	-0.03
16	IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited	-0.09	29.38	-0.04	8.59	-	-	-0.04	8.59
17	IVRCL Building Products Limited	0.63	-216.29	0.00	-0.06	-	-	0.00	-0.06

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Sl. No.	Name of the entity in the Group	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 a % of consolidated net assets	Amount (₹ In million)	As a % of consolidated profit or loss	Amount (₹ In million)	As a % of consolidated Other Comprehensive Income	Amount (₹ In million)	As a % of consolidated total Comprehensive Income	Amount (₹ In million)
18	IVRCL Patalaganga Truck Terminals Pvt. Limited	0.01	-5.15	0.07	-14.22	-	-	0.07	-14.22
19	RHIM Developers Private Limited	-15.23	5,256.27	0.01	-2.01	-	-	0.01	-2.01
20	IVRCL TLT Private Limited	-0.31	106.04	0.04	-7.65	-50.00	-0.13	0.04	-7.78
21	IVR Prime Developers (Tambaram) Private Limited	0.00	-0.19	0.00	-0.01	-	-	0.00	-0.01
22	IVRCL EPC Limited	-0.00	0.43	0.00	-0.04	-	-	0.00	-0.04
23	IVRCL Steel Construction & Services Limited	-0.00	0.54	-0.00	0.00	-	-	-0.00	0.00
24	Mummididi Developers Private Limited	0.00	-0.19	0.00	-0.01	-	-	0.00	-0.01
25	Samatteri Developers Private Limited	0.00	-0.18	0.00	-0.01	-	-	0.00	-0.01
26	IVR Prime Developers (Amalapuram) Private Limited	0.00	-0.16	0.00	-0.01	-	-	0.00	-0.01
27	IVR Prime Developers (Guntur) Private Limited	0.00	-0.16	0.00	-0.01	-	-	0.00	-0.01
28	Absorption Aircon Engineers Private Limited	0.00	-0.29	0.00	-0.01	-	-	0.00	-0.01
29	IVRCL Solar Energy Private Limited	-0.00	0.28	0.00	-0.01	-	-	0.00	-0.01
30	Bibinagar Developers Private Limited	0.00	-0.13	0.00	-0.01	-	-	0.00	-0.01
31	IVR Prime Developers (Red Hills) Private Limited	0.00	-0.14	0.00	-0.01	-	-	0.00	-0.01
32	IVR Prime Developers (Tuni) Private Limited	0.00	-0.13	0.00	-0.01	-	-	0.00	-0.01
33	IVR Prime Developers (Bobbili) Private Limited	0.00	-0.15	0.00	-0.01	-	-	0.00	-0.01
34	IVR Prime Developers (Bhimavaram) Private Limited	0.00	-0.15	0.00	-0.01	-	-	0.00	-0.01
35	Simhachalam Prime Developers Private Limited	0.00	-0.17	0.00	-0.01	-	-	0.00	-0.01

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Sl. No.	Name of the entity in the Group	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 a % of consolidated net assets	Amount(₹ In million)	As a % of consolidated profit or loss	Amount (₹ In million)	As a % of consolidated Other Comprehensive Income	Amount (₹ In million)	As a % of consolidated total Comprehensive Income	Amount (₹ In million)
36	Agaram Developers Private Limited	0.00	-0.20	0.00	-0.01	-	0.00	-0.01	-0.01
37	Siripuram Developers Private Limited	0.00	-0.17	-0.00	0.01	-	-0.00	0.01	0.01
38	IVR Prime Developers ( Araku ) Private Limited	0.00	-0.16	0.00	-0.01	-	0.00	-0.01	-0.01
39	IVR Prime Developers ( Erode ) Private Limited	0.00	-0.17	0.00	-0.02	-	0.00	-0.02	-0.02
40	IVR Vaanaprastha Private Limited	0.00	-0.27	0.00	-0.01	-	0.00	-0.01	-0.01
41	IVR PUDL Resorts & Clubs Private Limited	0.00	-0.23	0.00	-0.01	-	0.00	-0.01	-0.01
42	IVRCL Megamalls Limited	-0.00	0.08	0.00	-0.01	-	0.00	-0.01	-0.01
43	Annupampattu Developers Private Limited	0.00	-0.19	0.00	-0.01	-	0.00	-0.01	-0.01
44	Ilavampedu Developers Private Limited	0.00	-0.19	0.00	-0.01	-	0.00	-0.01	-0.01
45	Chodavaram Developers Private Limited	0.00	-0.17	0.00	-0.01	-	0.00	-0.01	-0.01
46	Gajuwaka Developers Private Limited	0.00	-0.17	0.00	-0.01	-	0.00	-0.01	-0.01
47	Tirumani Developers Private Limited	0.00	-0.17	0.00	-0.01	-	0.00	-0.01	-0.01
48	IVR Prime Developers (Adayar) Private Limited	0.00	-0.15	0.00	-0.01	-	0.00	-0.01	-0.01
49	IVR Prime Developers (Egmore) Private Limited	0.00	-0.14	0.00	-0.01	-	0.00	-0.01	-0.01
50	Sumedha Estates Private Limited	0.00	-0.27	0.00	-0.16	-	0.00	-0.16	-0.16
51	Geo IVRCL Engineering Limited	-0.00	0.49	-0.00	0.04	-	-0.00	0.04	0.04
52	Geo Prime Developers Private Limited	0.00	-0.16	0.00	-0.01	-	0.00	-0.01	-0.01
53	Kasibugga Developers Private Limited	0.00	-0.17	0.00	-0.01	-	0.00	-0.01	-0.01

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Sl. No.	Name of the entity in the Group	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 a % of consolidated net assets	Amount( ₹ In million)	As a % of consolidated profit or loss	Amount (₹ In million)	As a % of consolidated Other Comprehensive Income	Amount (₹ In million)	As a % of consolidated total Comprehensive Income	Amount (₹ In million)
54	Kunnam Developers Private Limited	0.00	-0.20	0.00	-0.01	-	-	0.00	-0.01
55	Rudravaram Developers Private Limited	0.00	-0.17	0.00	-0.01	-	-	0.00	-0.01
56	Theata Developers Private Limited	0.00	-0.16	0.00	-0.01	-	-	0.00	-0.01
57	Vedurwada Developers Private Limited	0.00	-0.17	0.00	-0.01	-	-	0.00	-0.01
58	Vijayawada Developers Private Limited	0.00	-0.17	0.00	-0.01	-	-	0.00	-0.01
59	Duvvda Developers Private limited	0.00	-0.17	0.00	-0.01	-	-	0.00	-0.01
60	Eluru Developers Private limited	0.00	-0.16	0.00	-0.01	-	-	0.00	-0.01
61	IVRCL Clubs Limited	0.00	-0.05	0.00	-0.01	-	-	0.00	-0.01
62	IVR Prime Developers (Guindy) Private Limited	0.00	-1.55	0.00	-0.01	-	-	0.00	-0.01
63	IVR Prime Developers (Palakkad) Private Limited	0.01	-1.87	0.00	-0.01	-	-	0.00	-0.01
	Foreign Subsidiaries								
64	IVRCL Lanka (Private) Limited	-1.08	373.20	-0.01	1.05	-	-	-0.01	1.05
	Total	60.92	-21,030.20	96.24	-18,474.24	103.85	0.27	96.24	-18,473.97
a	Adjustment arising out of consolidation	42.50	-14,672.53	2.84	-544.53	-3.85	-0.01	2.84	-544.54
b	Minority Interest								
	Indian Subsidiaries	-3.42	1,180.73	0.92	-176.57	-	-	0.92	-176.57
	Foreign Subsidiaries								
	Consolidated Net Assets/ Profit after Tax	100.00	-34,522.00	100.00	-19,195.34	100.00	0.26	100.00	-19,195.08



## Notes to Consolidated Financial Statements



All amounts are ₹ In Million unless otherwise stated

76. Other expenses for the year ended on March 31, 2019 includes provision for doubtful trade receivables aggregating to ₹ 4,935.60 lakhs (for the year ended March 31, 2018 is ₹ 12,212.01 lakhs).
77. During the year ended December 31, 2019, on review of the project status, excess unbilled revenue of ₹ 1,800.80 lakhs has been adjusted with the revenue from operations.
78. The Liquidator is signing this consolidated financial statement on the basis of representation by the key management personal of the Company regarding authenticity or veracity of the information provided herein.
79. In absence of the Board of Directors, the RP is approving these statements for the purposes of compliance with the provisions of the Companies Act, 2013 and on the basis of representation by the key managerial personnel (KMP) of the Company and others regarding authenticity or veracity of the information provided in the financial statements. Approval of the RP and affixing of signature on these statements by the RP should not be construed as endorsement or certification by the RP of any facts or figures provided herein.
80. Previous year figures have been recasted / restated wherever necessary.

In terms of our report attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**PANKAJ CHATURVEDI**

Partner

Membership No. 091239

Date: September 04, 2019

Place : Hyderabad

**For IVRCL Limited**

**SUTANU SINHA**

Liquidator

IP Registration no. IBBI/IPA-003/IP-N00020/2017- 18/10167

**B. SUBRAHMANYAM**

Company Secretary

**L. RAGHU RAMI REDDY**

Chief Financial Officer

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



## Statement containing salient features and financial of subsidiaries/ associate companies/ joint ventures

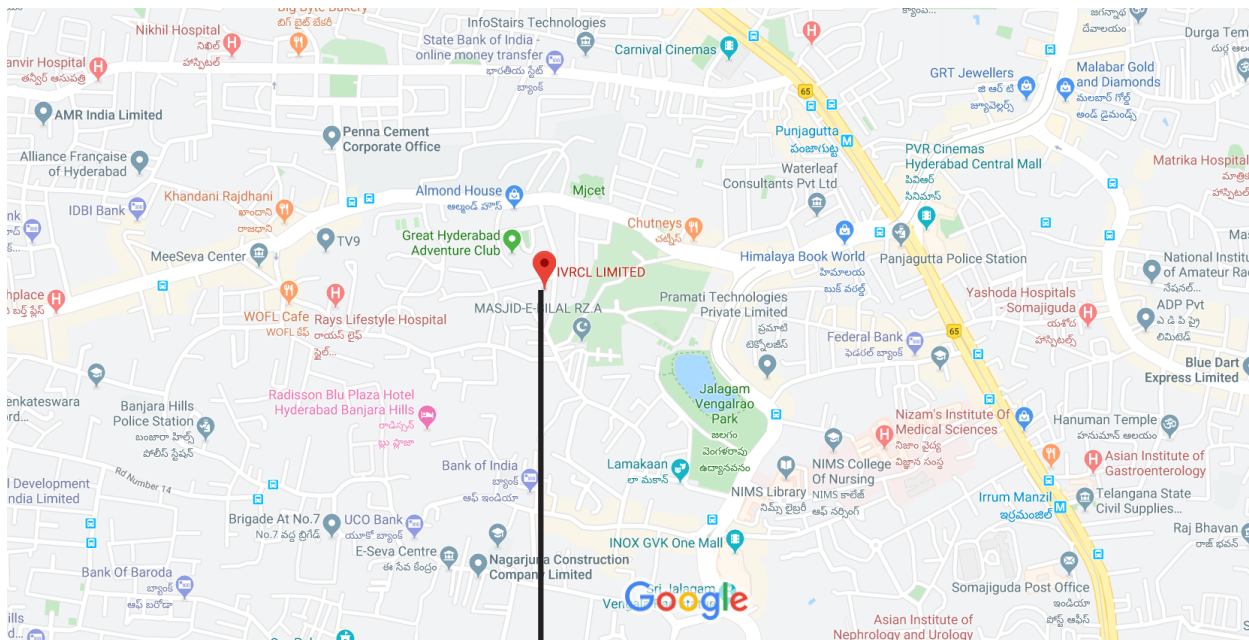
Sl. No.	Name of the Company	Capital	Reserves	Total Assets	Total Liabilities (Excluding 1&2)	Details of Investments Except in case of investment in subsidiaries	Turnover/ Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Salem Tollways Limited	513.03	-884.18	4,743.26	5,114.41	-	720.21	-593.93	-	-593.93	-	100.00
2	Kumarapalayam Tollways Limited	375.71	-1,505.60	3,168.12	4,298.01	-	763.29	-670.74	-	-670.74	-	100.00
3	Jalandhar Amritsar Tollways Limited	489.38	-1,234.48	3,687.26	4,432.36	-	444.62	-986.48	-	-986.48	-	100.00
4	SPB Developers Private Limited	290.62	414.21	4,594.31	3,889.48	-	-	-4.07	-	-4.07	-	100.00
5	IVRCL Chengapalli Tollways Limited	217.54	285.07	12,585.27	12,082.66	-	1,067.65	-549.80	-	-549.80	-	100.00
6	IVR Hotels and Resorts Limited	3.58	3,960.98	4,918.09	953.53	0.01	4.50	-112.51	-	-112.51	-	66.88
7	Alkor Petroo Limited	87.85	-60.58	2,238.51	2,211.24	-	0.68	0.31	-	0.31	-	64.03
8	IVRCL Chandrapur Tollways Limited	268.73	1,724.64	6,914.40	4,921.03	-	387.83	-283.84	-	-283.84	-	100.00
9	IVR Enviro Projects Private Limited	30.00	-37.43	38.95	46.38	-	-	-0.05	-	-0.05	-	97.49
10	IVRCL PSC Pipes Private Limited	2.51	-5.08	70.33	72.90	-	-	-0.01	-	-0.01	-	66.43
11	Chennai Water Desalination Limited	1,729.83	-1,720.52	2,675.39	2,666.08	-	1,765.30	194.54	-	194.54	-	75.00
12	IVRCL Lanka (Private) Limited	372.15	1.05	2,166.06	1,792.86	-	1.05	1.05	-	1.05	-	100.00
13	IVRCL Patiala Bathinda Tollways Limited	0.50	-0.22	19.93	19.65	-	-	-0.01	-	-0.01	-	100.00
14	IVRCL Narnaul Bhiwani Tollways Limited	0.50	-0.07	0.46	0.03	-	-	-0.01	-	-0.01	-	100.00
15	IVRCL Raipur Bilaspur Tollways Limited	0.50	-19.03	121.62	140.15	-	-	-0.03	-	-0.03	-	100.00
16	IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited	0.10	29.28	69.49	40.11	-	45.03	6.85	1.74	5.11	-	60.00
17	IVRCL Building Products Limited	10.00	-226.29	68.80	285.09	-	-	-0.04	-	-0.04	-	60.00
18	IVRCL Patalaganga Truck Terminals Pvt. Limited	0.53	-5.68	165.09	170.24	-	3.49	-14.22	-	-14.22	-	100.00
19	RIHIM Developers Private Limited	0.10	5,256.17	5,473.66	217.39	-	0.96	-1.54	-	-1.54	-	100.00
20	IVRCL TIT Private Limited	0.10	105.94	559.06	453.02	-	282.98	3.21	-10.86	14.07	-	100.00
21	IVR Prime Developers (Tambaram) Private Limited	0.10	-0.29	23.68	23.87	-	-	-0.01	-	-0.01	-	100.00
22	IVRCL EPC Limited	0.50	-0.07	0.47	0.04	-	-	-0.04	-	-0.04	-	100.00
23	IVRCL Steel Construction & Services Limited	0.50	0.04	190.31	189.77	-	0.02	0.00	-	0.00	-	100.00
24	Mummididi Developers Private Limited	0.10	-0.29	64.87	65.05	-	0.00	-0.01	0.00	-0.01	0.00	100.00
25	Samattari Developers Private Limited	0.10	-0.28	54.66	54.84	-	0.00	-0.01	0.00	-0.01	0.00	100.00
26	IVR Prime Developers ( Amalapuram ) Private Limited	0.10	-0.26	0.34	0.49	-	0.00	-0.01	0.00	-0.01	0.00	100.00
27	IVR Prime Developers ( Guntur ) Private Limited	0.10	-0.26	36.38	36.53	-	0.00	-0.01	0.00	-0.01	0.00	100.00
28	Absorption Aircon Engineers Private Limited	0.37	-0.66	111.52	111.81	-	0.00	-0.01	0.00	-0.01	0.00	100.00
29	IVRCL Solar Energy Private Limited	0.50	-0.22	0.30	0.02	-	0.00	-0.01	0.00	-0.01	0.00	100.00
30	Bibinagar Developers Private Limited	0.10	-0.23	19.95	20.08	-	0.00	-0.01	0.00	-0.01	0.00	100.00
31	IVR Prime Developers ( Red Hills ) Private Limited	0.10	-0.24	59.83	59.98	-	0.00	-0.01	0.00	-0.01	0.00	100.00
32	IVR Prime Developers ( Tuni ) Private Limited	0.10	-0.25	28.19	28.33	-	0.00	-0.01	0.00	-0.01	0.00	100.00

# Notes to Consolidated Financial Statements

All amounts are ₹ In Million unless otherwise stated



Sl. No.	Name of the Company	Capital	Reserves	Total Assets	Total Liabilities (Excluding 1&2)	Details of Investments Except in case of investment in subsidiaries	Turnover/ Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
33	IVR Prime Developers ( Bobbili ) Private Limited	0.10	-0.25	33.19	33.34	-	0.00	-0.01	0.00	-0.01	0.00	100.00
34	IVR Prime Developers (Bhimavaram) Private Limited	0.10	-0.25	22.98	23.13	-	0.00	-0.01	0.00	-0.01	0.00	100.00
35	Simhachalam Prime Developers Private Limited	0.10	-0.27	0.01	0.18	-	0.00	-0.01	0.00	-0.01	0.00	100.00
36	Agaram Developers Private Limited	0.10	-0.30	34.92	35.11	-	0.00	-0.01	0.00	-0.01	0.00	100.00
37	Sripuram Developers Private Limited	0.10	-0.27	35.78	35.94	-	0.00	0.01	0.00	0.01	0.00	100.00
38	IVR Prime Developers ( Araku ) Private Limited	0.10	-0.26	0.93	1.09	-	0.00	-0.01	0.00	-0.01	0.00	100.00
39	IVR Prime Developers ( Erode ) Private Limited	0.10	-0.27	0.53	0.70	-	0.00	-0.02	0.00	-0.02	0.00	100.00
40	IVR Vaanaprastha Private Limited	0.15	-0.42	14.09	14.36	-	0.00	-0.01	0.00	-0.01	0.00	66.67
41	IVR PUJDL Resorts & Clubs Private Limited	0.15	-0.38	112.83	113.06	-	0.00	-0.01	0.00	-0.01	0.00	66.67
42	IVRCL Megamalls Limited	0.50	-0.42	32.40	32.33	-	0.01	-0.01	0.00	-0.01	0.00	100.00
43	Annapampattu Developers Private Limited	0.10	-0.29	23.89	24.08	-	0.00	-0.01	0.00	-0.01	0.00	100.00
44	Ilavampedu Developers Private Limited	0.10	-0.29	20.08	20.27	-	0.00	-0.01	0.00	-0.01	0.00	100.00
45	Chodavaram Developers Private Limited	0.10	-0.27	28.46	28.63	-	0.00	-0.01	0.00	-0.01	0.00	100.00
46	Gajuwaka Developers Private Limited	0.10	-0.27	176.99	177.15	-	0.00	-0.01	0.00	-0.01	0.00	100.00
47	Tirumani Developers Private Limited	0.10	-0.27	91.89	92.07	-	0.00	-0.01	0.00	-0.01	0.00	100.00
48	IVR Prime Developers ( Adayar ) Private Limited	0.10	-0.25	20.95	21.10	-	0.00	-0.01	0.00	-0.01	0.00	100.00
49	IVR Prime Developers ( Egmore ) Private Limited	0.10	-0.24	24.83	24.97	-	0.00	-0.01	0.00	-0.01	0.00	100.00
50	Sumedha Estates Private Limited	0.10	-0.37	98.53	98.80	-	0.33	-0.16	0.00	-0.16	0.00	97.09
51	Geo IVRCL Engineering Limited	0.50	-0.01	43.36	42.87	-	0.04	0.03	0.01	0.02	0.00	100.00
52	Geo Prime Developers Private Limited	0.10	-0.26	178.53	178.69	-	0.00	-0.01	0.00	-0.01	0.00	100.00
53	Kasibugga Developers Private Limited	0.10	-0.27	127.65	127.82	-	0.00	-0.01	0.00	-0.01	0.00	100.00
54	Kunnam Developers Private Limited	0.10	-0.30	143.72	143.91	-	0.00	-0.01	0.00	-0.01	0.00	100.00
55	Rudravaram Developers Private Limited	0.10	-0.27	142.86	143.03	-	0.00	-0.01	0.00	-0.01	0.00	100.00
56	Theata Developers Private Limited	0.10	-0.26	147.27	147.44	-	0.00	-0.01	0.00	-0.01	0.00	100.00
57	Vedurwada Developers Private Limited	0.10	-0.27	164.95	165.12	-	0.00	-0.01	0.00	-0.01	0.00	100.00
58	Vijayawada Developers Private Limited	0.10	-0.27	212.55	212.72	-	0.00	-0.01	0.00	-0.01	0.00	100.00
59	Duuvda Developers Private limited	0.10	-0.27	130.89	131.06	-	0.00	-0.01	0.00	-0.01	0.00	100.00
60	Eluru Developers Private limited	0.10	-0.26	104.85	105.01	-	0.00	-0.01	0.00	-0.01	0.00	100.00
61	IVRCL Clubs Limited	0.50	-0.55	30.49	30.54	-	0.00	-0.01	0.00	-0.01	0.00	75.92
62	IVR Prime Developers (Guindy) Private Limited	0.10	-1.65	3.20	4.76	-	0.00	-0.01	0.00	-0.01	0.00	100.00
63	IVR Prime Developers (Palakkad) Private Limited	0.10	-1.97	2.91	4.78	-	0.00	-0.01	0.00	-0.01	0.00	100.00



MIHIR, 8-2-350/5/A/24/1-B&2, Road No. 2,  
Panchavati Colony, Banjara Hills,  
Hyderabad- 500 034, Telangana, India



# IVRCL LIMITED

CIN:L45201TG1987PLC007959

Registered Office: M-22/3RT, Vijayanagar Colony, Hyderabad – 500 057, A.P.,India.

Ph.No.040 23343550; Fax.No. 040 23345004,E.Mail: in\_grievances@ivrinfra.com; Website:www.ivrcl.com

## ATTENDANCE SLIP

(To be presented at the entrance)

32nd ANNUAL GENERAL MEETING ON FRIDAY, 29th NOVEMBER 2019 at 11.00.A.M

at "MIHIR" 8-2-350/5/A/24/1-B &2 Road No 2, Panchavati Colony, Banjaran Hills, Hyderabad - 500 034

Folio No: \_\_\_\_\_ DP ID: \_\_\_\_\_ Client ID: \_\_\_\_\_ No.of Shares: \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature : \_\_\_\_\_

Name of the Proxy Holder \_\_\_\_\_ Signature : \_\_\_\_\_

1. Only Member/ Proxy holder can attend the Meeting

2. Member / Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.



# IVRCL LIMITED

Registered Office: M-22/3RT, Vijayanagar Colony, Hyderabad – 500 057, A.P.,India.

## 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 the Member : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-Mail Id : \_\_\_\_\_

Folio No. / Client ID.No: \_\_\_\_\_ DP.ID No.: \_\_\_\_\_

I / We, being the member(s) of \_\_\_\_\_ shares of IVRCL Limited, hereby appoint

Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address: \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address: \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address: \_\_\_\_\_

Signature : \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32nd Annual General Meeting of the Company, to be held on Friday, 29th November 2019 at 11.00.A.M at "MIHIR" 8-2-350/5/A/24/1-B &2 Road No 2, Panchavati Colony, Banjaran Hills, Hyderabad 500 034 and at any adjournment thereof in respect of such resolutions as are indicated below :

Ordinary Business		Special Business	
1	Adoption of Financial Statements for the year ended March 31, 2019, together with the Reports of Board of Directors and Auditors thereon.	2	Ratification of remuneration to be paid to Cost Auditor
3	To appoint Auditors to the Branch Offices of the Company.		

Signed this .....day of .....2019

Signature of Shareholder ..... Signature of Proxyholder(s).....

Affix Revenue Stamp

Notes : 1. This proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at M-22/3RT, Vijaynagar Colony, Hyderabad -57, not less than 48 hours before the commencement of the Meeting.

2. Please completed all details, including details of member(s) in above box before submission.



## NOTES





## NOTES



### **Corporate Office**

MIHIR, 8-2-350/5/A/24/1-B&2, Road No. 2,  
Panchavati Colony, Banjara Hills,  
Hyderabad- 500 034, Telangana, India  
Ph: 91-40-2335 6613 / 15/ 18/21/ 51 to 55,  
30931111/1444 (60 Lines)  
Fax: 91-40-2335 6693

### **Registered Office**

M-22/3RT, Vijayanagar Colony,  
Hyderabad – 500 057, Telangana, India  
Ph: 91-40-2334 3678 / 3550 / 5130 / 8467  
Fax: 91-40-2334 5004

[www.ivrcl.com](http://www.ivrcl.com)

