

The National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor
Bandra-Kurla Complex
MUMBAI-400 051

BSE Limited
14th Floor, P.J. Towers
Dalal Street
MUMBAI-400 001

NSE Symbol SHRIRAMEPC

Scrip Code : 532945

24TH June 2020

Dear Sir,

SUB : Outcome of the Board Meeting held today (24-06-2020) for consideration and approval of the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended 31st March 2020 – Reg.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the following are the outcome of the Board Meeting: -

1. Audited Financial Results for the Quarter and Year ended 31-03-2020

The Board had approved the audited financial results (Standalone and Consolidated) for the Quarter and year ended 31st March 2020 that has been recommended by the Audit Committee held today and the Extract of the detailed format of the Financial Results for the Quarter and Year ended on 31st March 2020, to be filed with the Stock Exchanges pursuant to Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 (Quick Results) for Publication along with the audited Financial Results for the Quarter and Year ended on 31st March 2020 are being forwarded for your information and records.

The meeting commenced at 12.30 P.M. and concluded at 04.30 P.M.

Kindly take the same on record.

Thanking you,

Yours faithfully
For **Shriram EPC Limited**



K. SURESH
Vice President &
Company Secretary.

Encl.:a.a



Shriram EPC Limited
Registered Office: 4th Floor, Sigappi Achi Building,
Door No. 18 / 3, Rukmani Lakshmi pathi Salai (Marshalls Road), Egmore, Chennai - 600008.
www.shriramepc.com

Corporate Identity Number : L40108TN2006PLC061665

Extract of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2020

		Rs lakhs				
Particulars		Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Un Audited	Un Audited	Un Audited	Un Audited	Un Audited
1	Total Income from Operations (Net)	18,746.72	35,121.24	51,620.75	1,25,886.71	1,27,629.56
2	Profit / (Loss) for the period / year (before Tax, Exceptional and/or Extraordinary items)	(2,542.53)	454.60	429.43	(1,119.35)	3,604.77
3	Profit / (Loss) for the period / Year after tax (after Exceptional and/or Extraordinary items)	(9,108.19)	435.57	315.22	(7,726.33)	3,058.58
4	Total Comprehensive Income / (Loss) for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(9,085.58)	427.36	312.27	(7,711.93)	3,072.53
5	Equity Share Capital (Face value of Rs 10/- each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
6	Earnings Per Share (of Rs. 10/- each)					
	(a) Basic	(0.94)	0.04	0.03	(0.79)	0.32
	(b) Diluted	(0.94)	0.04	0.03	(0.79)	0.32

Note:

- The above Audited Consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on June 24, 2020.
- The above is an extract of the detailed results for the quarter and year ended March 31, 2020 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed results for the quarter and year ended March 31, 2020 are available on the Stock Exchanges Website www.bseindia.com and www.nseindia.com and on the website of the Company www.shriramepc.com.
- The Audited Standalone Results for the Quarter and Year ended March 31, 2020 are hereunder :

	Rs lakhs				
	Quarter Ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Total Income from Operations	12,332.17	20,444.49	34,599.54	72,923.19	81,493.07
Profit / (Loss) for the period / year (before Tax, Exceptional and/or Extraordinary items)	-2,537.12	352.35	264.56	-1,491.85	3,321.93
Profit / (Loss) for the period / year after tax (after Exceptional and/or Extraordinary items)	-9,144.10	352.35	264.56	-8,098.83	2,861.96
Total Comprehensive Income/ (Loss) for the period /year [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	-9,118.02	344.16	240.73	-8,080.94	2,649.84

For Shriram EPC Limited



T. Shivaraman
Managing Director & CEO

Place :Chennai
Date : 24.06.2020

Shriram EPC Limited

Registered Office: 4th Floor, Sigappi Achi Building,

Door No. 18, 4th Floor, Sigappi Achi Building, Rukhmini Lakshmi pathi Salai (Marshall's Road), Egmore, Chennai - 600008

Website: www.shriramepc.com

Statement of Standalone Audited Financial Results for the Quarter and Year Ended March 31, 2020

(in ₹ lakhs, except per equity share data)

S No	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	(a) Revenue from operations	12,110.66	19,278.00	31,855.62	68,105.20	74,065.70
	(b) Other Income	221.51	1,166.49	2,743.92	4,817.99	7,427.37
	Total Income	12,332.17	20,444.49	34,599.54	72,923.19	81,493.07
2	Expenses					
	(a) Cost of Materials ,Erection, Construction & Operation Expenses	8,851.29	14,719.91	29,807.35	50,786.10	58,597.62
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(161.26)	704.63	(434.93)	3,524.37	(83.67)
	(c) Employee benefits expense	1,473.89	1,227.48	1,393.75	5,004.17	5,229.68
	(d) Finance Costs	2,579.87	2,534.05	2,067.66	9,879.96	9,544.54
	(e) Depreciation and amortisation expense	138.98	139.06	141.08	555.53	559.53
	(f) Other expenses	1,986.52	767.01	1,360.07	4,664.91	4,323.44
	Total expenses	14,869.29	20,092.14	34,334.98	74,415.04	78,171.14
3	Profit / (Loss) before exceptional items and tax (1-2)	(2,537.12)	352.35	264.56	(1,491.85)	3,321.93
4	Exceptional Items (Refer Note No 3)	6,606.98	-	-	6,606.98	459.97
5	Profit / (Loss) before tax (3 - 4)	(9,144.10)	352.35	264.56	(8,098.83)	2,861.96
6	Tax Expense	-	-	35.50	-	-
7	Profit / (Loss) for the period / year (5 - 6)	(9,144.10)	352.35	229.06	(8,098.83)	2,861.96
8	Other comprehensive income / (loss) (OCI)					
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
	Re-measurement gains on defined benefit plans (Net of Taxes)	36.32	(11.29)	5.15	25.03	32.49
	Fair Value of Equity Instruments through OCI (Net of Taxes)	(10.24)	3.09	(8.10)	(7.15)	(18.54)
	Total Other comprehensive income / (Loss)	26.08	(8.20)	(2.95)	17.88	13.95
9	Total comprehensive income / (Loss) for the period / year (7+8)	(9,118.02)	344.15	226.11	(8,080.95)	2,875.91
10	Paid-up equity share capital (Face value ₹ 10 each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
11	Other Equity	-	-	-	-	28,655.16
12	Earnings per share (of Rs 10/- each)					
	(a) Basic	(0.94)	0.04	0.02	(0.83)	0.30
	(b) Diluted	(0.94)	0.04	0.02	(0.83)	0.30
	See accompanying notes to the financial results					

Notes:

1. The Standalone results for the Quarter ended March 31, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 24, 2020 and have been subjected to Limited review by the Statutory Auditor of the Company. The audited standalone financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.

2. Financial Assets Loans (Non-Current) and Other Trade Receivables under "Other Non-Current Financial Assets" include 4,110.44 Lakhs (March 31, 2019: Rs. 4,134.15 Lakhs), due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party). LSML is in the process of restructuring their operations and the dues are expected to be recovered earlier than the original repayment plan. Considering the developments, the management is confident of realizing the dues. The auditors have qualified this matter in their report for the Year ended March 31, 2020.

3. Exceptional items for the quarter and year ended March 31, 2020 represents :

a. Exceptional items for the quarter and year ended March 31, 2020 represents write off of trade and other receivables subject to litigation amounting to Rs. 3,858.02 lakhs, and write off of contract assets amounting to Rs. 2,748.97 lakhs, based on estimation of potential stress on project completion in a project, considering COVID 19 pandemic.

Exceptional items for the quarter and year ended March 31, 2019 represents :

a. Rs. 4,702.65 Lakhs loss recorded on sale of advances receivable from an associate company and its subsidiary amounting to Rs. 29,702.65 Lakhs to the Company's Investing party for a total consideration of Rs. 25,000 Lakhs along with rights attached to it.

b. Rs.6,649.03 lakhs recorded as gain resulting from discounting of amount payable to M/s ACRE (an Asset Reconstruction Company) pursuant to a settlement agreement as the dues are to be settled over a period of seven years ending 2025 on deferred payment basis without interest.

c. Rs.2,406.35 lakhs charged off being net amount after discounting the amount payable for a claim from vendor, by way of deferred settlement agreement over a period of three years ending 2021 without interest.

4. Against the carried forward loss of Rs.1,82,359 lakhs, the company has recognized deferred tax asset on a carry forward loss to the extent of Rs.1,28,911 lakhs which results in DTA of Rs. 43,520.00 lakhs. Considering potential order book as on date, future business plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the Year ended March 31, 2020.

5. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity coupled with total lockdown announced from March 25, 2020 due to COVID-19 pandemic which was gradually lifted based on the impact of outbreak.

The Company's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the period ended December 2019, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of delayed payments metrics observed along with an estimation of potential stress on project completion in certain projects.

Accordingly, the Company has measured additional impairment on loss and other assets which has been disclosed under exceptional item in the Standalone Financial Results. The Company will continue to monitor any material changes to the future economic conditions based on the dynamic situation arising out of COVID - 19 pandemic situation.

6. Consequent to the initiation of insolvency proceedings of Haldia Coke and Chemicals Private Limited (HCCPL) by the shareholders of HCCPL during March 2019, the investments in HCCPL amounting to Rs.4007.22 lakhs has been written off against the provision carried towards this investment.

7. Revenue includes Rs 5,144.77 lakhs (for the quarter ended March 31, 2020), Rs. 30,380.40 lakhs (for the year ended March 31, 2020) , being share of revenue relating to the Basra project, billed from Mokul Shriram EPC JV (MSJV), a jointly controlled operation, wherein the company owns 50% interest.

8. There is no provision for tax in view of the brought forward losses/unabsorbed depreciation relating to earlier years, available for set off, while computing income, both under the provisions of 115 JB and those other than Sections 115 JB of the Income Tax Act 1961.

9. The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act, 1961, as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.

10. The Company is engaged in the sole activity of carrying on the business of "Engineering ,Procurement and Construction " (EPC) and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments". Hence no separate segment reporting is applicable to the Company.

11. Ind AS 116 " Leases" , has been recently introduced effective April 01, 2019, and its application did not have any significant impact on recognition and measurement of leases in the financial results including the retained earnings as at April 01, 2019.

12. Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 respectively and the published year to date figures for nine months ended December 31, 2019 and December 31, 2018 respectively, as regrouped.

13. Previous period figures have been regrouped / reclassified to be in conformity with current period's classification /disclosure, wherever necessary.

For Shriram EPC Limited



Place : Chennai

Date: June 24, 2020

Managing Director & CEO

Shriram EPC Limited
Standalone Statement of Assets and Liabilities as at March 31, 2020

(Amount in ₹ lakhs, unless otherwise stated)

	As at 31-03-2020	As at 31-03-2019
ASSETS		
Non-current assets		
Property, plant and equipment	4,888.30	5,330.39
Capital work-in-progress	-	14.84
Intangible assets	40.08	48.03
Financial assets		
Investments	101.59	112.21
Loans	12,301.03	17,675.66
Trade Receivables	19,848.34	25,256.19
Other Financial Assets	1,621.73	1,729.92
Deferred tax asset (net)	47,623.70	47,623.70
Income tax assets (net)	2,917.19	2,394.76
Other non-current assets	3,956.02	3,956.02
Total Non-Current Assets	93,297.98	1,04,141.72
Current assets		
Inventories	324.86	3,849.25
Financial assets		
Trade receivables	37,744.42	34,421.44
Cash and cash equivalents	673.58	944.26
Other bank balances	4,885.40	8,116.89
Other financial assets	8,639.66	4,285.20
Other current assets	95,089.13	97,975.53
Assets classified as held for sale	703.35	-
Total Current Assets	1,48,060.41	1,49,592.57
Total Assets	2,41,358.39	2,53,734.29
EQUITY AND LIABILITIES		
Equity		
Equity share capital	97,152.90	97,152.90
Other equity	20,567.03	28,655.15
Total Equity	1,17,719.93	1,25,808.05
Liabilities		
Non-Current Liabilities		
Financial liabilities		
Borrowings	20,622.70	20,645.33
Other financial liabilities	5,642.52	5,690.66
Provisions	613.20	660.69
Other non-current liabilities	12,535.32	18,889.16
Total Non-Current Liabilities	39,413.75	45,885.84
Current liabilities		
Financial liabilities		
Borrowings	45,209.42	42,614.61
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,812.18	31,707.96
Other financial liabilities	2,579.27	2,465.70
Other current liabilities	5,065.32	4,719.07
Provisions	558.52	533.06
Total Current Liabilities	84,224.71	82,040.40
Total Liabilities	1,23,638.46	1,27,926.24
Total Equity and Liabilities	2,41,358.39	2,53,734.29

Statement of cash flows for the Year ended ended March 31, 2020

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	31-Mar-20	31-Mar-19
Cash flow from operating activities		
Profit /(Loss) before tax	(8,098.84)	2,861.96
Adjustments for:		
Depreciation and amortization expenses	555.53	559.53
Provision for Gratuity		134.22
Provision for Compensated Absences		109.39
Finance cost	6,952.52	10,606.00
Interest income	(493.70)	-6,805.35
Liabilities written back		-501.23
(Gain)/ loss on sale of fixed assets	(5.95)	-
Loss on write off of CWIP	14.84	
Operating profit before working capital changes	-1,075.62	6,964.52
Changes in working capital		
Decrease in trade payables	(895.78)	245.54
Decrease/ (Increase) in inventories	3,524.39	(83.67)
Decrease in trade receivables	2,084.87	(3,820.29)
Decrease in loans and advances	5,374.63	22,949.36
Increase/(Decrease) in other current liabilities	346.26	(4,179.95)
Decrease in other non current liabilities	(6,353.84)	5,771.36
Decrease in Short Term provisions	46.77	117.40
Increase/(Decrease) in Long Term provisions	(47.49)	128.42
Increase/(Decrease) in other financial liabilities	65.43	1,465.28
Decrease/(Increase) in other financial assets	-4,483.88	7,210.22
Decrease/(Increase) in other current assets	2,954.87	(16,322.83)
Increase in non-current assets	(0.00)	5,364.40
Increase in assets held for sale	(703.35)	
Cash generated used in operations	837.26	25,809.76
Income tax paid	-522.10	623.53
Net cash flows used in operating activities (A)	315.16	26,433.29
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(118.99)	(485.97)
Movement in Bank balances not considered as Cash and cash equivalents (Net)	3,231.49	(4,418.97)
Proceeds from sale/ disposal of fixed assets	19.43	84.70
Interest received	667.51	1,012.37
Net cash flow from investing activities (B)	3,799.45	-3,807.87
Cash flow from Financing activities		
Proceeds/ Repayment of Short term borrowings(net)	2,594.82	(8,549.24)
Proceeds / Repayment of Long term borrowings	(22.63)	(7,519.25)
Interest and Finance Charges Paid	(6,957.48)	(7,738.31)
Net cash flow from financing activities (C)	(4,385.29)	(23,806.80)
Net increase in cash and cash equivalents (A+B+C)	(270.68)	(1,181.38)
Cash and cash equivalents at the beginning of the year	944.26	2,125.64
Cash and cash equivalents at the end of the Year	673.58	944.26
Cash and cash equivalents comprise		
Cash and cash equivalents as per Balance Sheet	5,558.98	9,061.15
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	4,885.40	8,116.89
Total cash and bank balances at end of the Year	673.58	944.26

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Corporate Identity Number : L40108TN2006PLC061665

Extract of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2020

Rs lakhs						
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3	Profit / (Loss) for the period / Year after tax (after Exceptional and/or Extraordinary items)	(9,108.19)	435.57	315.22	(7,726.33)	3,058.58
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5	Equity Share Capital (Face value of Rs 10/- each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
6	Earnings Per Share (of Rs. 10/- each)					
	(a) Basic	(0.94)	0.04	0.03	(0.79)	0.32
	(b) Diluted	(0.94)	0.04	0.03	(0.79)	0.32

Note:

- The above Audited Consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on June 24, 2020.
- The above is an extract of the detailed results for the quarter and year ended March 31, 2020 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed results for the quarter and year ended March 31, 2020 are available on the Stock Exchanges Website www.bseindia.com and www.nseindia.com and on the website of the Company www.shriramepc.com.
- The Audited Standalone Results for the Quarter and Year ended March 31, 2020 are hereunder :

	Rs lakhs				
	Quarter Ended			Year Ended	
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Total Comprehensive Income/ (Loss) for the period /year [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	-9,118.02	344.16	240.73	-8,080.94	2,649.84

For Shriram EPC Limited



T. Shivaraman
Managing Director & CEO

Place :Chennai
Date : 24.06.2020

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Statement of Consolidated Audited Financial Results for the Quarter and Year Ended March 31, 2020.

(in ₹ lakhs, except per equity share data)

SNo	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from operations	18,400.07	33,975.03	48,873.32	1,20,794.88	1,20,195.88
	Other Income	346.65	1,146.21	2,747.43	5,091.83	7,433.68
	Total Income from Operations	18,746.72	35,121.24	51,620.75	1,25,886.71	1,27,629.56
2	Expenses					
	(a) Cost of Materials ,Erection, Construction & Operation Expenses	14,948.14	28,083.82	46,643.87	99,953.89	1,00,156.02
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-161.26	704.63	(434.90)	3,524.37	(83.67)
	(c) Employee benefits expense	1,568.12	1,416.22	1,598.01	5,726.01	5,751.52
	(d) Finance Costs	2,582.32	2,564.79	2,091.50	10,043.86	9,544.54
	(e) Depreciation and amortisation expense	141.61	142.03	143.46	566.81	566.50
	(f) Other expenses	2,210.32	1,755.15	1,149.38	7,191.12	8,089.88
	Total expenses	21,289.25	34,666.64	51,191.32	1,27,006.06	1,24,024.79
3	Profit / (Loss) before exceptional items and tax (1-2)	(2,542.53)	454.60	429.43	(1,119.35)	3,604.77
4	Exceptional items - (Refer Note No 3)	6,606.98	-		6,606.98	459.97
5	Profit/(Loss) before tax (3 - 4)	(9,149.51)	454.60	429.43	(7,726.33)	3,144.80
6	Tax Expense / (Benefit)	(41.32)	19.03	114.21	-	86.22
7	Profit /(Loss) for the period / Year (5 - 6)	(9,108.19)	435.57	315.22	(7,726.33)	3,058.58
8	Other comprehensive income (OCI) Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
	Re-measurement gains on defined benefit plans (Net of Taxes)	36.33	(11.30)	5.15	25.03	32.49
	Fair Value of Equity Instruments through OCI (Net of Taxes)	(13.71)	3.09	(8.10)	(10.62)	(18.54)
	Total Other comprehensive income	22.62	(8.21)	(2.95)	14.41	13.95
9	Total comprehensive income / (Loss) for the period / Year (7+8)	(9,085.58)	427.36	312.27	(7,711.93)	3,072.53
10	Paid-up equity share capital (Face value Rs. 10 each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
11	Other Equity	-	-	-	-	28,894.18
12	Earnings per share (of Rs 10/- each)					
	(a) Basic	(0.94)	0.04	0.03	(0.79)	0.32
	(b) Diluted	(0.94)	0.04	0.03	(0.79)	0.32
	See accompanying notes to the financial results					

Notes:

1. The Consolidated results for the Quarter and year ended March 31, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 24, 2020 and have been subjected to audit by the Statutory Auditor of the Company. The audited consolidated financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.

2. Financial Assets Loans (Non Current) and Other Trade Receivables under "Other Non Current Financial Assets" include Rs. 4,110.44 Lakhs (March 31, 2019: Rs. 4,134.15 Lakhs), due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party). LSML is in the process of restructuring their operations and the dues are expected to be recovered earlier than the original repayment plan. Considering the developments the management is confident of realising the dues. The auditors have qualified this matter in their report for the Quarter and Year ended March 31, 2020.

3. Exceptional items for the quarter and year ended March 31, 2020 represents :

a. Exceptional items for the quarter and year ended March 31, 2020 represents write off of trade and other receivables subject to litigation amounting to Rs. 3,858.02 lakhs, and write off of contract assets amounting to Rs. 2,748.97 lakhs based on estimation of potential stress on project completion in a project, considering COVID 19 pandemic.

Exceptional items for the quarter and year ended March 31, 2019 represents :

a. Rs. 4,702.65 Lakhs loss recorded on sale of advances receivable from an associate company and its subsidiary amounting to Rs. 29,702.65 Lakhs to the Company's Investing party for a total consideration of Rs. 25,000 Lakhs along with rights attached to it.

b. Rs.6,649.03 lakhs recorded as gain resulting from discounting of amount payable to M/s ACRE (an Asset Reconstruction Company) pursuant to a settlement agreement as the dues are to be settled over a period of seven years ending 2025 on deferred payment basis without interest.

c. Rs.2,406.35 lakhs charged off being net amount after discounting the amount payable for a claim from vendor, by way of deferred settlement agreement over a period of three years ending 2021 without interest.

4. Against the carried forward loss of Rs.1,82,359 lakhs, the company has recognized deferred tax asset on a carry forward loss to the extent of Rs.1,28,911 lakhs which results in DTA of Rs. 43,520.00 lakhs. Considering potential order book as on date, future business plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the Year ended March 31, 2020.

5. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity coupled with total lockdown announced from March 25, 2020 due to COVID-19 pandemic which was gradually lifted based on the impact of outbreak.

The Company's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the period ended December 2019, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of delayed payments metrics observed along with an estimation of potential stress on project completion in certain projects.

Accordingly, the Company has measured additional impairment loss allowance on loans and other assets which has been disclosed under exceptional item in the Consolidated Financial Results. The Company will continue to monitor any material changes to the future economic conditions based on the dynamic situation arising out of COVID - 19 pandemic situation.

6. Consequent to the initiation of insolvency proceedings of Haldia Coke and Chemicals Private Limited (HCCPL) by the shareholders of HCCPL during March 2019, the investments in HCCPL amounting to Rs.4007.22 lakhs has been written off against the provision carried towards this investment

7. Revenue includes Rs 5,144.77 lakhs (for the quarter ended March 31, 2020), Rs. 30,380.40 lakhs (for the year ended March 31, 2020) , being share of revenue relating to the Basra project, billed from Mokol Shriram EPC JV (MSJV), a jointly controlled operation, wherein the company owns 50% interest

8. There is no provision for tax in view of the brought forward losses/unabsorbed depreciation relating to earlier years, available for set off, while computing income, both under the provisions of 115 JB and those other than Sections 115 JB of the Income Tax Act 1961.

9. The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act, 1961, as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.

10. The Company is engaged in the sole activity of carrying on the business of "Engineering ,Procurement and Construction " (EPC) and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments". Hence no separate segment reporting is applicable to the Company.

11. Ind AS 116 " Leases" , has been introduced effective April 01, 2019, and its application did not have any significant impact on recognition and measurement of leases in the financial results including the retained earnings as at April 01, 2019.

12. Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 respectively and the published year to date figures for nine months ended December 31, 2019 and December 31, 2018 respectively, as regrouped.

13. Previous period figures have been regrouped / reclassified to be in conformity with current period's classification/disclosure, wherever necessary.



Shriram EPC Limited

Statement of Consolidated Assets and Liabilities as at March 31, 2020

(Amount in INR lakhs, unless otherwise stated)

	As at 31-03-2020	As at 31-03-2019
ASSETS		
Non-current assets		
Property, plant and equipment	5,011.25	5,424.48
Capital work-in-progress	-	14.84
Intangible assets	40.08	48.03
Financial assets		
Investments	77.33	87.95
Loans	12,301.03	17,675.67
Trade Receivables	19,848.33	25,256.19
Other Financial Assets	1,634.87	1,729.92
Deferred tax asset (net)	47,623.70	47,623.70
Income tax assets (net)	2,917.18	2,394.76
Other non-current assets	3,956.02	3,968.43
Total Non-Current Assets	93,409.79	1,04,223.97
Current assets		
Inventories	324.86	3,849.24
Financial assets		
Trade receivables	47,996.50	48,482.69
Cash and cash equivalents	1,205.55	3,060.04
Other bank balances	4,885.40	8,116.89
Other financial assets	8,639.66	4,285.20
Other current assets	1,03,100.27	1,25,103.25
Assets classified as held for sale	703.36	-
Total Current Assets	1,66,855.60	1,92,897.31
Total Assets	2,60,265.39	2,97,121.28
EQUITY AND LIABILITIES		
Equity		
Equity share capital	97,152.90	97,152.90
Other equity	21,237.65	28,758.64
Non-Controlling Interest	146.76	135.54
Total Equity	1,18,537.31	1,26,047.08
Liabilities		
Non-Current Liabilities		
Financial liabilities		
Borrowings	20,622.70	20,645.33
Other financial liabilities	5,642.52	5,690.66
Provisions	613.20	660.69
Other non-current liabilities	12,535.32	20,683.41
Total Non-Current Liabilities	39,413.74	47,680.09
Current liabilities		
Financial liabilities		
Borrowings	45,209.42	42,614.60
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43,808.28	53,876.32
Other financial liabilities	2,579.27	2,465.70
Other current liabilities	10,158.86	23,817.73
Provisions	558.51	619.76
Total Current Liabilities	1,02,314.34	1,23,394.11
Total Liabilities	1,41,728.08	1,71,074.20
Total Equity and Liabilities	2,60,265.39	2,97,121.28

Shriram EPC Limited

Statement of cash flows for the Year ended ended March 31, 2020

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	31-Mar-20	31-Mar-19
Cash flow from operating activities		
Profit before tax	-7,726.33	2,861.96
Adjustments for:		
Depreciation and amortization expenses	566.81	559.53
Provision for Gratuity		134.22
Provision for Compensated Absences		109.39
Finance cost	7,116.42	10,606.00
Interest income	-767.55	-6,805.35
Liabilities written back		-501.23
(Gain)/ loss on sale of fixed assets	-5.95	-
Loss on write off of CWIP	14.84	
Operating profit before working capital changes	-801.75	6,964.52
Changes in working capital		
Decrease in trade payables	-10,068.04	245.54
Decrease/ (Increase) in inventories	3,524.39	-83.67
Decrease in trade receivables	5,894.05	-3,820.29
Decrease in loans and advances	5,374.63	22,949.36
Increase/(Decrease) in other current liabilities	-13,658.87	-4,179.95
Decrease in other non current liabilities	-8,148.09	5,771.36
Decrease in Short Term provisions	46.77	117.40
Increase/(Decrease) in Long Term provisions	-47.49	128.42
Increase/(Decrease) in other financial liabilities	65.43	1,465.28
Decrease/(Increase) in other financial assets	-4,308.13	7,210.22
Decrease/(Increase) in other current assets	22,002.98	-16,322.83
Increase in non-current assets	12.41	5,364.40
Increase in assets held for sale	-703.35	
Cash generated used in operations	-815.05	25,809.76
Income tax paid	-522.43	623.53
Net cash flows used in operating activities (A)	-1,337.48	26,433.29
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	-145.62	-485.97
Movement in Bank balances not considered as Cash and cash equivalents (Net)	3,231.49	-4,418.97
Proceeds from sale/ disposal of fixed assets		84.70
Interest received	941.36	1,012.37
Net cash flow from investing activities (B)	4,027.22	-3,807.87
Cash flow from Financing activities		
Proceeds/ Repayment of Short term borrowings(net)	2,594.82	-8,549.24
Proceeds / Repayment of Long term borrowings	-22.63	-7,519.25
Interest and Finance Charges Paid	-7,116.42	-7,738.31
Net cash flow from financing activities (C)	-4,544.23	-23,806.80
Net increase in cash and cash equivalents (A+B+C)	-1,854.49	-1,181.38
Cash and cash equivalents at the beginning of the year	3,060.04	2,125.64
Cash and cash equivalents at the end of the Year	1,205.55	944.26
Cash and cash equivalents comprise		
Cash and cash equivalents as per Balance Sheet	6,090.95	9,061.15
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	4,885.40	8,116.89
Total cash and bank balances at end of the Year	1,205.55	944.26

Independent Auditors' Report on Quarterly Standalone Financial Results and Year to Date Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**To the Board of Directors of Shriram EPC Limited****Report on the Audit of Standalone Financial Results****Qualified Opinion**

We have audited the accompanying Statement of Standalone Financial Results of Shriram EPC Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2020 (the 'Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

1. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph below, the aforesaid Statement:
 - i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - ii. give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

Basis for Qualified Opinion:

Our audit report on the Statement for the quarter ended March 31, 2020 and the year to date results for the period April 01, 2019 to March 31, 2020 is qualified in respect of the matters stated below:

- i. Financial Assets Loans (Non Current) include Rs. 3,800.40 Lakhs (March 31, 2019: Rs. 3,815.40 Lakhs) and Other Trade Receivables under "Other Non Current Financial Assets" include Rs. 310.04 Lakhs (March 31, 2019: Rs. 318.75 Lakhs), due from related party. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amounts and as these are outstanding for more than five years, we are unable to comment on the recoverability of the same. No provision with respect to the same is made in the books of accounts as explained in the Note 02 of standalone financial results. The impact, if any, of the undetermined provision on the financial statements is not ascertainable currently.



This matter was also qualified in our report on the standalone financial statements for the year ended March 31, 2019

- ii. The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. Rs. 43,520.00 Lakhs which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment on reasonable certainty of future taxable profits, as required by IND AS 12 considering the current pandemic situation, we are unable to ascertain the extent to which the deferred tax asset can be utilized. Refer to Note 4 of standalone financial result.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention Note 05 to the Statement, which fully describes that the Company has made an assessment to recognize and impairment loss of Rs. 2,748.97 Lakhs on financial assets to reflect the business impact and uncertainties arising from the COVID 19 pandemic. Further such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement have been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Statement 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 Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

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

Our objectives are to obtain reasonable assurance about whether the Statement 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 Statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement 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.

MSKA

& Associates

Chartered Accountants

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

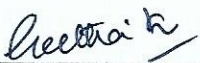
The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

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

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W



Geetha Jeyakumar

Partner

Membership No.: 29409

UDIN: 20029409AAAAEX2762

Place: Chennai

Date: June 24,2020

Shriram EPC Limited

Registered Office: 4th Floor, Sigappi Achi Building,

Door No. 18, 4th Floor, Sigappi Achi Building, Rukhmini Lakshmi pathi Salai (Marshalls Road), Egmore, Chennai - 600008

Website: www.shriramepc.com

Statement of Standalone Audited Financial Results for the Quarter and Year Ended March 31, 2020

(in ₹ lakhs, except per equity share data)

S No	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	(a) Revenue from operations	12,110.66	19,278.00	31,855.62	68,105.20	74,065.70
	(b) Other Income	221.51	1,166.49	2,743.92	4,817.99	7,427.37
	Total Income	12,332.17	20,444.49	34,599.54	72,923.19	81,493.07
2	Expenses					
	(a) Cost of Materials ,Erection, Construction & Operation Expenses	8,851.29	14,719.91	29,807.35	50,786.10	58,597.62
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(161.26)	704.63	(434.93)	3,524.37	(83.67)
	(c) Employee benefits expense	1,473.89	1,227.48	1,393.75	5,004.17	5,229.68
	(d) Finance Costs	2,579.87	2,534.05	2,067.66	9,879.96	9,544.54
	(e) Depreciation and amortisation expense	138.98	139.06	141.08	555.53	559.53
	(f) Other expenses	1,986.52	767.01	1,360.07	4,664.91	4,323.44
	Total expenses	14,869.29	20,092.14	34,334.98	74,415.04	78,171.14
3	Profit / (Loss) before exceptional items and tax (1-2)	(2,537.12)	352.35	264.56	(1,491.85)	3,321.93
4	Exceptional Items (Refer Note No 3)	6,606.98	-	-	6,606.98	459.97
5	Profit / (Loss) before tax (3 - 4)	(9,144.10)	352.35	264.56	(8,098.83)	2,861.96
6	Tax Expense	-	-	35.50	-	-
7	Profit / (Loss) for the period / year (5 - 6)	(9,144.10)	352.35	229.06	(8,098.83)	2,861.96
8	Other comprehensive income / (loss) (OCI)					
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
	Re-measurement gains on defined benefit plans (Net of Taxes)	36.32	(11.29)	5.15	25.03	32.49
	Fair Value of Equity Instruments through OCI (Net of Taxes)	(10.24)	3.09	(8.10)	(7.15)	(18.54)
	Total Other comprehensive income / (Loss)	26.08	(8.20)	(2.95)	17.88	13.95
9	Total comprehensive income / (Loss) for the period / year (7+8)	(9,118.02)	344.15	226.11	(8,080.95)	2,875.91
10	Paid-up equity share capital (Face value ₹ 10 each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
11	Other Equity	-	-	-	-	28,655.16
12	Earnings per share (of Rs 10/- each)					
	(a) Basic	(0.94)	0.04	0.02	(0.83)	0.30
	(b) Diluted	(0.94)	0.04	0.02	(0.83)	0.30
	See accompanying notes to the financial results					

Shriram EPC Limited

Statement of cash flows for the Year ended ended March 31, 2020

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	31-Mar-20	31-Mar-19
Cash flow from operating activities		
Profit / (Loss) before tax	(8,098.84)	2,861.96
Adjustments for:		
Depreciation and amortization expenses	555.53	559.53
Provision for Gratuity		134.22
Provision for Compensated Absences		109.39
Finance cost	6,952.52	10,606.00
Interest income	(493.70)	-6,805.35
Liabilities written back		-501.23
(Gain)/ loss on sale of fixed assets	(5.95)	-
Loss on write off of CWIP	14.84	
Operating profit before working capital changes	-1,075.62	6,964.52
Changes in working capital		
Decrease in trade payables	(895.78)	245.54
Decrease/ (Increase) in inventories	3,524.39	(83.67)
Decrease in trade receivables	2,084.87	(3,820.29)
Decrease in loans and advances	5,374.63	22,949.36
Increase/ (Decrease) in other current liabilities	346.26	(4,179.95)
Decrease in other non current liabilities	(6,353.84)	5,771.36
Decrease in Short Term provisions	46.77	117.40
Increase/ (Decrease) in Long Term provisions	(47.49)	128.42
Increase/ (Decrease) in other financial liabilities	65.43	1,465.28
Decrease/ (Increase) in other financial assets	-4,483.88	7,210.22
Decrease/ (Increase) in other current assets	2,954.87	(16,322.83)
Increase in non-current assets	(0.00)	5,364.40
Increase in assets held for sale	(703.35)	
Cash generated used in operations	837.26	25,809.76
Income tax paid	-522.10	623.53
Net cash flows used in operating activities (A)	315.16	26,433.29
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(118.99)	(485.97)
Movement in Bank balances not considered as Cash and cash equivalents (Net)	3,231.49	(4,418.97)
Proceeds from sale/ disposal of fixed assets	19.43	84.70
Interest received	667.51	1,012.37
Net cash flow from investing activities (B)	3,799.45	-3,807.87
Cash flow from Financing activities		
Proceeds/ Repayment of Short term borrowings(net)	2,594.82	(8,549.24)
Proceeds / Repayment of Long term borrowings	(22.63)	(7,519.25)
Interest and Finance Charges Paid	(6,957.48)	(7,738.31)
Net cash flow from financing activities (C)	(4,385.29)	(23,806.80)
Net increase in cash and cash equivalents (A+B+C)	(270.68)	(1,181.38)
Cash and cash equivalents at the beginning of the year	944.26	2,125.64
Cash and cash equivalents at the end of the Year	673.58	944.26
Cash and cash equivalents comprise		
Cash and cash equivalents as per Balance Sheet	5,558.98	9,061.15
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	4,885.40	8,116.89
Total cash and bank balances at end of the Year	673.58	944.26

Shriram EPC Limited

Standalone Statement of Assets and Liabilities as at March 31, 2020

(Amount in ₹ lakhs, unless otherwise stated)

	As at 31-03-2020	As at 31-03-2019
ASSETS		
Non-current assets		
Property, plant and equipment	4,888.30	5,330.39
Capital work-in-progress	-	14.84
Intangible assets	40.08	48.03
Financial assets		
Investments	101.59	112.21
Loans	12,301.03	17,675.66
Trade Receivables	19,848.34	25,256.19
Other Financial Assets	1,621.73	1,729.92
Deferred tax asset (net)	47,623.70	47,623.70
Income tax assets (net)	2,917.19	2,394.76
Other non-current assets	3,956.02	3,956.02
Total Non-Current Assets	93,297.98	1,04,141.72
Current assets		
Inventories	324.86	3,849.25
Financial assets		
Trade receivables	37,744.42	34,421.44
Cash and cash equivalents	673.58	944.26
Other bank balances	4,885.40	8,116.89
Other financial assets	8,639.66	4,285.20
Other current assets	95,089.13	97,975.53
Assets classified as held for sale	703.35	-
Total Current Assets	1,48,060.41	1,49,592.57
Total Assets	2,41,358.39	2,53,734.29
EQUITY AND LIABILITIES		
Equity		
Equity share capital	97,152.90	97,152.90
Other equity	20,567.03	28,655.15
Total Equity	1,17,719.93	1,25,808.05
Liabilities		
Non-Current Liabilities		
Financial liabilities		
Borrowings	20,622.70	20,645.33
Other financial liabilities	5,642.52	5,690.66
Provisions	613.20	660.69
Other non-current liabilities	12,535.32	18,889.16
Total Non-Current Liabilities	39,413.75	45,885.84
Current liabilities		
Financial liabilities		
Borrowings	45,209.42	42,614.61
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,812.18	31,707.96
Other financial liabilities	2,579.27	2,465.70
Other current liabilities	5,065.32	4,719.07
Provisions	558.52	533.06
Total Current Liabilities	84,224.71	82,040.40
Total Liabilities	1,23,638.46	1,27,926.24
Total Equity and Liabilities	2,41,358.39	2,53,734.29



Notes:

1. The Standalone results for the Quarter ended March 31, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 24, 2020 and have been subjected to Limited review by the Statutory Auditor of the Company. The audited standalone financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.

2. Financial Assets Loans (Non-Current) and Other Trade Receivables under "Other Non-Current Financial Assets" include 4,110.44 Lakhs (March 31, 2019: Rs. 4,134.15 Lakhs), due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party). LSML is in the process of restructuring their operations and the dues are expected to be recovered earlier than the original repayment plan. Considering the developments, the management is confident of realizing the dues. The auditors have qualified this matter in their report for the Year ended March 31, 2020.

3. Exceptional items for the quarter and year ended March 31, 2020 represents :

a. Exceptional items for the quarter and year ended March 31, 2020 represents write off of trade and other receivables subject to litigation amounting to Rs. 3,858.02 lakhs, and write off of contract assets amounting to Rs. 2,748.97 lakhs, based on estimation of potential stress on project completion in a project, considering COVID 19 pandemic.

Exceptional items for the quarter and year ended March 31, 2019 represents :

a. Rs. 4,702.65 Lakhs loss recorded on sale of advances receivable from an associate company and its subsidiary amounting to Rs. 29,702.65 Lakhs to the Company's Investing party for a total consideration of Rs. 25,000 Lakhs along with rights attached to it.

b. Rs.6,649.03 lakhs recorded as gain resulting from discounting of amount payable to M/s ACRE (an Asset Reconstruction Company) pursuant to a settlement agreement as the dues are to be settled over a period of seven years ending 2025 on deferred payment basis without interest.

c. Rs.2,406.35 lakhs charged off being net amount after discounting the amount payable for a claim from vendor, by way of deferred settlement agreement over a period of three years ending 2021 without interest.

4. Against the carried forward loss of Rs.1,82,359 lakhs, the company has recognized deferred tax asset on a carry forward loss to the extent of Rs.1,28,911 lakhs which results in DTA of Rs. 43,520.00 lakhs. Considering potential order book as on date, future business plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the Year ended March 31, 2020.

5. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity coupled with total lockdown announced from March 25, 2020 due to COVID-19 pandemic which was gradually lifted based on the impact of outbreak.

The Company's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the period ended December 2019, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of delayed payments metrics observed along with an estimation of potential stress on project completion in certain projects.

Accordingly, the Company has measured additional impairment on loss and other assets which has been disclosed under exceptional item in the Standalone Financial Results. The Company will continue to monitor any material changes to the future economic conditions based on the dynamic situation arising out of COVID - 19 pandemic situation.

6. Consequent to the initiation of insolvency proceedings of Haldia Coke and Chemicals Private Limited (HCCPL) by the shareholders of HCCPL during March 2019, the investments in HCCPL amounting to Rs.4007.22 lakhs has been written off against the provision carried towards this investment.

7. Revenue includes Rs 5,144.77 lakhs (for the quarter ended March 31, 2020), Rs. 30,380.40 lakhs (for the year ended March 31, 2020) , being share of revenue relating to the Basra project, billed from Mokul Shriram EPC JV (MSJV), a jointly controlled operation, wherein the company owns 50% interest.

8. There is no provision for tax in view of the brought forward losses/unabsorbed depreciation relating to earlier years, available for set off, while computing income, both under the provisions of 115 JB and those other than Sections 115 JB of the Income Tax Act 1961.

9. The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act,1961, as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.

10. The Company is engaged in the sole activity of carrying on the business of "Engineering ,Procurement and Construction " (EPC) and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments". Hence no separate segment reporting is applicable to the Company.

11. Ind AS 116 " Leases" , has been recently introduced effective April 01, 2019, and its application did not have any significant impact on recognition and measurement of leases in the financial results including the retained earnings as at April 01, 2019.

12. Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 respectively and the published year to date figures for nine months ended December 31, 2019 and December 31, 2018 respectively, as regrouped.

13. Previous period figures have been regrouped / reclassified to be in conformity with current period's classification/disclosure, wherever necessary.

For Shriram EPC Limited



Managing Director & CEO

Place : Chennai

Date: June 24, 2020





MSKA
& Associates

Chartered Accountants

Floor 5, Main Building, Guna Complex
New No. 443 & 445, Old No. 304 & 305
Mount Road, Teynampet
Chennai 600018, INDIA
Tel: + 91 44 6131 0200

Independent Auditors' Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Shriram EPC Limited [Holding Company]

Report on the Audit of Consolidated Financial Results

Qualified Opinion

We have audited the accompanying consolidated financial results of **Shriram EPC Limited** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), for the quarter and Year ended March 31, 2020 ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate audited financial statements except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Statement:

(i) include the annual financial result of the following entity:

Sr. No	Name of the Company	Relationship with the Holding Company
1.	Shriram EPC (FZE) - Sharjah	Subsidiary

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2020.



Basis for Qualified Opinion:

Our audit report on the Statement for the quarter ended March 31, 2020 and the year to date results for the period April 01, 2019 to March 31, 2020 is qualified in respect of the matters stated below:

- i. Financial Assets Loans (Non Current) include Rs. 3,800.40 Lakhs (March 31, 2019: Rs. 3,815.40 Lakhs) and Other Trade Receivables under "Other Non Current Financial Assets" include Rs. 310.04 Lakhs (March 31, 2019: Rs. 318.75 Lakhs), due from related party. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amounts and as these are outstanding for more than five years, we are unable to comment on the recoverability of the same. No provision with respect to the same is made in the books of accounts as explained in the Note 02 of consolidated financial results. The impact, if any, of the undetermined provision on the financial statements is not ascertainable currently. This matter was also qualified in our report on the consolidated financial statements for the year ended March 31, 2019
- ii. The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. Rs. 43,520.00 Lakhs which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment on reasonable certainty of future taxable profits, as required by IND AS 12, considering current pandemic situation, we are unable to ascertain the extent to which the deferred tax asset can be utilized. Refer to Note 04 of consolidated financial result.

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

We believe that the audit evidence obtained by us and other auditor in terms of their report referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the following matter in the Notes to the accompanying Statement:

- a) We draw attention Note 05 to the consolidated financial results, which fully describes that the group has made an assessment to recognize an impairment loss of Rs. 2,748.97 Lakhs on financial assets to reflect the business impact and uncertainties arising from the COVID 19 pandemic. Further such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.



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Board of Directors' Responsibilities for the Consolidated Financial Results

These Statement have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Statement 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 Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors 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 are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Statement 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 this Statement.

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 Statement, 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.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





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Other Matters

- i. The Statement include the audited Financial Results of one subsidiary company (including step down subsidiary), whose Financial Results reflect Group's share of total assets of Rs.21,244.19 Lakhs as at March 31 2020, Group's share of total revenue of Rs.6,289.41 Lakhs and Rs. 58,492.79 Lakhs and Group's share of total net profit after tax of Rs.35.88 lakhs and Rs.372.50 lakhs for the quarter ended March 31, 2020 and for the period from April 01, 2019 to March 31, 2020, respectively, as considered in the Statement, which have been audited by their respective independent auditor. The independent auditors' reports on Financial Results of this entity have been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
- ii. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our conclusion on the Statement is not modified in respect of the above matters.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Geetha Jeyakumar
Partner
Membership No.: 29409
UDIN: 20029409AAAAEY5927

Place: Chennai
Date: June 24,2020

Shriram EPC Limited
Registered Office: 4th Floor, Sigappi Achi Building,
Door No. 18/3, Rukhmini Lakshmipathi Salai (Marshalls Road), Egmore, Chennai - 600008.
www.shriramepc.com

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended March 31, 2020.

(in ₹ lakhs, except per equity share data)

SNo	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from operations	18,400.07	33,975.03	48,873.32	1,20,794.88	1,20,195.88
	Other Income	346.65	1,146.21	2,747.43	5,091.83	7,433.68
	Total Income from Operations	18,746.72	35,121.24	51,620.75	1,25,886.71	1,27,629.56
2	Expenses					
	(a) Cost of Materials ,Erection, Construction & Operation Expenses	14,948.14	28,083.82	46,643.87	99,953.89	1,00,156.02
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-161.26	704.63	(434.90)	3,524.37	(83.67)
	(c) Employee benefits expense	1,568.12	1,416.22	1,598.01	5,726.01	5,751.52
	(d) Finance Costs	2,582.32	2,564.79	2,091.50	10,043.86	9,544.54
	(e) Depreciation and amortisation expense	141.61	142.03	143.46	566.81	566.50
	(f) Other expenses	2,210.32	1,755.15	1,149.38	7,191.12	8,089.88
	Total expenses	21,289.25	34,666.64	51,191.32	1,27,006.06	1,24,024.79
3	Profit / (Loss) before exceptional items and tax (1-2)	(2,542.53)	454.60	429.43	(1,119.35)	3,604.77
4	Exceptional items - (Refer Note No 3)	6,606.98	-	-	6,606.98	459.97
5	Profit/(Loss) before tax (3 - 4)	(9,149.51)	454.60	429.43	(7,726.33)	3,144.80
6	Tax Expense / (Benefit)	(41.32)	19.03	114.21	-	86.22
7	Profit / (Loss) for the period / Year (5 - 6)	(9,108.19)	435.57	315.22	(7,726.33)	3,058.58
8	Other comprehensive income (OCI)					
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
	Re-measurement gains on defined benefit plans (Net of Taxes)	36.33	(11.30)	5.15	25.03	32.49
	Fair Value of Equity Instruments through OCI (Net of Taxes)	(13.71)	3.09	(8.10)	(10.62)	(18.54)
	Total Other comprehensive income	22.62	(8.21)	(2.95)	14.41	13.95
9	Total comprehensive income / (Loss) for the period / Year (7+8)	(9,085.58)	427.36	312.27	(7,711.93)	3,072.53
10	Paid-up equity share capital (Face value Rs. 10 each)	97,152.90	97,152.90	97,152.90	97,152.90	97,152.90
11	Other Equity	-	-	-	-	28,894.18
12	Earnings per share (of Rs 10/- each)					
	(a) Basic	(0.94)	0.04	0.03	(0.79)	0.32
	(b) Diluted	(0.94)	0.04	0.03	(0.79)	0.32
	See accompanying notes to the financial results					



Shriram EPC Limited

Statement of Consolidated Assets and Liabilities as at March 31, 2020

(Amount in INR lakhs, unless otherwise stated)

	As at 31-03-2020	As at 31-03-2019
ASSETS		
Non-current assets		
Property, plant and equipment	5,011.25	5,424.48
Capital work-in-progress	-	14.84
Intangible assets	40.08	48.03
Financial assets		
Investments	77.33	87.95
Loans	12,301.03	17,675.67
Trade Receivables	19,848.33	25,256.19
Other Financial Assets	1,634.87	1,729.92
Deferred tax asset (net)	47,623.70	47,623.70
Income tax assets (net)	2,917.18	2,394.76
Other non-current assets	3,956.02	3,968.43
Total Non-Current Assets	93,409.79	1,04,223.97
Current assets		
Inventories	324.86	3,849.24
Financial assets		
Trade receivables	47,996.50	48,482.69
Cash and cash equivalents	1,205.55	3,060.04
Other bank balances	4,885.40	8,116.89
Other financial assets	8,639.66	4,285.20
Other current assets	1,03,100.27	1,25,103.25
Assets classified as held for sale	703.36	-
Total Current Assets	1,66,855.60	1,92,897.31
Total Assets	2,60,265.39	2,97,121.28
EQUITY AND LIABILITIES		
Equity		
Equity share capital	97,152.90	97,152.90
Other equity	21,237.65	28,758.64
Non-Controlling Interest	146.76	135.54
Total Equity	1,18,537.31	1,26,047.08
Liabilities		
Non-Current Liabilities		
Financial liabilities		
Borrowings	20,622.70	20,645.33
Other financial liabilities	5,642.52	5,690.66
Provisions	613.20	660.69
Other non-current liabilities	12,535.32	20,683.41
Total Non-Current Liabilities	39,413.74	47,680.09
Current liabilities		
Financial liabilities		
Borrowings	45,209.42	42,614.60
Trade payables	-	-
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43,808.28	53,876.32
Other financial liabilities	2,579.27	2,465.70
Other current liabilities	10,158.86	23,817.73
Provisions	558.51	619.76
Total Current Liabilities	1,02,314.34	1,23,394.11
Total Liabilities	1,41,728.08	1,71,074.20
Total Equity and Liabilities	2,60,265.39	2,97,121.28



Shriram EPC Limited
Statement of cash flows for the Year ended ended March 31, 2020

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	31-Mar-20	31-Mar-19
Cash flow from operating activities		
Profit before tax	-7,726.33	2,861.96
Adjustments for:		
Depreciation and amortization expenses	566.81	559.53
Provision for Gratuity		134.22
Provision for Compensated Absences		109.39
Finance cost	7,116.42	10,606.00
Interest income	-767.55	-6,805.35
Liabilities written back		-501.23
(Gain)/ loss on sale of fixed assets	-5.95	-
Loss on write off of CWIP	14.84	
Operating profit before working capital changes	-801.75	6,964.52
Changes in working capital		
Decrease in trade payables	-10,068.04	245.54
Decrease/ (Increase) in inventories	3,524.39	-83.67
Decrease in trade receivables	5,894.05	-3,820.29
Decrease in loans and advances	5,374.63	22,949.36
Increase/(Decrease) in other current liabilities	-13,658.87	-4,179.95
Decrease in other non current liabilities	-8,148.09	5,771.36
Decrease in Short Term provisions	46.77	117.40
Increase/(Decrease) in Long Term provisions	-47.49	128.42
Increase/(Decrease) in other financial liabilities	65.43	1,465.28
Decrease/(Increase) in other financial assets	-4,308.13	7,210.22
Decrease/(Increase) in other current assets	22,002.98	-16,322.83
Increase in non-current assets	12.41	5,364.40
Increase in assets held for sale	-703.35	
Cash generated used in operations	-815.05	25,809.76
Income tax paid	-522.43	623.53
Net cash flows used in operating activities (A)	-1,337.48	26,433.29
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	-145.62	-485.97
Movement in Bank balances not considered as Cash and cash equivalents (Net)	3,231.49	-4,418.97
Proceeds from sale/ disposal of fixed assets		84.70
Interest received	941.36	1,012.37
Net cash flow from investing activities (B)	4,027.22	-3,807.87
Cash flow from Financing activities		
Proceeds/ Repayment of Short term borrowings(net)	2,594.82	-8,549.24
Proceeds / Repayment of Long term borrowings	-22.63	-7,519.25
Interest and Finance Charges Paid	-7,116.42	-7,738.31
Net cash flow from financing activities (C)	-4,544.23	-23,806.80
Net increase in cash and cash equivalents (A+B+C)	-1,854.49	-1,181.38
Cash and cash equivalents at the beginning of the year	3,060.04	2,125.64
Cash and cash equivalents at the end of the Year	1,205.55	944.26
Cash and cash equivalents comprise		
Cash and cash equivalents as per Balance Sheet	6,090.95	9,061.15
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	4,885.40	8,116.89
Total cash and bank balances at end of the Year	1,205.55	944.26

Notes:

1. The Consolidated results for the Quarter and year ended March 31, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 24, 2020 and have been subjected to audit by the Statutory Auditor of the Company. The audited consolidated financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.
2. Financial Assets Loans (Non Current) and Other Trade Receivables under "Other Non Current Financial Assets" include Rs. 4,110.44 Lakhs (March 31, 2019: Rs. 4,134.15 Lakhs), due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party). LSML is in the process of restructuring their operations and the dues are expected to be recovered earlier than the original repayment plan. Considering the developments the management is confident of realising the dues. The auditors have qualified this matter in their report for the Quarter and Year ended March 31, 2020.
3. Exceptional items for the quarter and year ended March 31, 2020 represents :
 - a. Exceptional items for the quarter and year ended March 31, 2020 represents write off of trade and other receivables subject to litigation amounting to Rs. 3,858.02 lakhs, and write off of contract assets amounting to Rs. 2,748.97 lakhs based on estimation of potential stress on project completion in a project, considering COVID 19 pandemic.Exceptional items for the quarter and year ended March 31, 2019 represents :
 - a. Rs. 4,702.65 Lakhs loss recorded on sale of advances receivable from an associate company and its subsidiary amounting to Rs. 29,702.65 Lakhs to the Company's Investing party for a total consideration of Rs. 25,000 Lakhs along with rights attached to it.
 - b. Rs.6,649.03 lakhs recorded as gain resulting from discounting of amount payable to M/s ACRE (an Asset Reconstruction Company) pursuant to a settlement agreement as the dues are to be settled over a period of seven years ending 2025 on deferred payment basis without interest.
 - c. Rs.2,406.35 lakhs charged off being net amount after discounting the amount payable for a claim from vendor, by way of deferred settlement agreement over a period of three years ending 2021 without interest.
4. Against the carried forward loss of Rs.1,82,359 lakhs, the company has recognized deferred tax asset on a carry forward loss to the extent of Rs.1,28,911 lakhs which results in DTA of Rs. 43,520.00 lakhs. Considering potential order book as on date, future business plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the Year ended March 31, 2020.
5. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity coupled with total lockdown announced from March 25, 2020 due to COVID-19 pandemic which was gradually lifted based on the impact of outbreak.
The Company's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the period ended December 2019, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of delayed payments metrics observed along with an estimation of potential stress on project completion in certain projects.
Accordingly, the Company has measured additional impairment loss allowance on loans and other assets which has been disclosed under exceptional item in the Consolidated Financial Results. The Company will continue to monitor any material changes to the future economic conditions based on the dynamic situation arising out of COVID - 19 pandemic situation.
6. Consequent to the initiation of insolvency proceedings of Haldia Coke and Chemicals Private Limited (HCCPL) by the shareholders of HCCPL during March 2019, the investments in HCCPL amounting to Rs.4007.22 lakhs has been written off against the provision carried towards this investment
7. Revenue includes Rs 5,144.77 lakhs (for the quarter ended March 31, 2020), Rs. 30,380.40 lakhs (for the year ended March 31, 2020) , being share of revenue relating to the Basra project, billed from Mokul Shriram EPC JV (MSJV), a jointly controlled operation, wherein the company owns 50% interest
8. There is no provision for tax in view of the brought forward losses/unabsorbed depreciation relating to earlier years, available for set off, while computing income, both under the provisions of 115 JB and those other than Sections 115 JB of the Income Tax Act 1961.
9. The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act,1961, as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.
10. The Company is engaged in the sole activity of carrying on the business of "Engineering ,Procurement and Construction " (EPC) and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments". Hence no separate segment reporting is applicable to the Company.
11. Ind AS 116 " Leases" , has been introduced effective April 01, 2019, and its application did not have any significant impact on recognition and measurement of leases in the financial results including the retained earnings as at April 01, 2019.
12. Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 respectively and the published year to date figures for nine months ended December 31, 2019 and December 31, 2018 respectively, as regrouped.
13. Previous period figures have been regrouped / reclassified to be in conformity with current period's classification/disclosure, wherever necessary.







Place: Chennai
Date : June 24, 2020

T. Shivaraman
Managing Director & CEO



ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 , [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]




Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
Rs lakhs			
1	Turnover / Total income	72,923.19	72,923.19
2	Total Expenditure	74,415.04	74,415.04
3	Net Profit/(Loss)	-1,491.85	-1,491.85
4	Earnings Per Share	-0.83	-0.83
5	Total Assets	2,41,358.39	2,41,358.39
6	Total Liabilities	1,23,638.46	1,23,638.46
7	Net Worth	1,17,719.93	1,17,719.92
8	Any other financial item(s) (as felt appropriate by the management)	-	-
ii.	Audit Qualification (each audit qualification separately):		
	a. Details of Audit Qualification:		
1(a)	<p>Financial Assets Loans (Non Current) include Rs. 3,300.40 Lakhs (March 31, 2019: Rs. 3,815.40 Lakhs) and Other Trade Receivables under "Other Non Current Financial Assets" include Rs. 310.04 Lakhs (March 31, 2019: Rs. 318.75 Lakhs), due from related party. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amounts and as these are outstanding for more than five years, we are unable to comment on the recoverability of the same. No provision with respect to the same is made in the books of accounts as explained in the Note 02 of Standalone financial results. The impact, if any, of the undetermined provision on the financial statements is not ascertainable currently.</p> <p>Note No 2 as appearing in the Standalone Financial Results for the quarter and year ended March 31, 2020</p> <p>Financial Assets Loans (Non-Current) and Other Trade Receivables under "Other Non-Current Financial Assets" include 4,110.44 Lakhs (March 31, 2019: Rs. 4,134.15 Lakhs), due from Leitwind Shriram Manufacturing Pvt Limited (LSML) (a related party). LSML is in the process of restructuring their operations and the dues are expected to be recovered earlier than the original repayment plan. Considering the developments, the management is confident of realizing the dues. The auditors have qualified this matter in their report for the Year ended March 31, 2020.</p>		
1(b)	<p>The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. Rs. 43,520.00 Lakhs which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment on reasonable certainty of future taxable profits, as required by IND AS 12, considering current pandemic situation, we are unable to ascertain the extent to which the deferred tax asset can be utilized. Refer to Note 04 of Standalone financial result.</p> <p>Note No 4 as appearing in the Standalone Financial Results for the quarter and year ended March 31, 2020</p> <p>Against the carried forward loss of Rs.1,82,359 lakhs, the company has recognized deferred tax asset on a carry forward loss to the extent of Rs.1,28,911 lakhs which results in DTA of Rs. 43,520.00 lakhs. Considering potential order book as on date, future business plan, projects in pipeline etc, the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the Year ended March 31, 2020.</p>		
1(c)	<p>Emphasis of Matter</p> <p>a) We draw attention Note 05 to the Standalone financial results, which fully describes that the group has made an assessment to recognize an impairment loss of Rs. 2,748.97 Lakhs on financial assets to reflect the business impact and uncertainties arising from the COVID 19 pandemic. Further such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.</p> <p>Note No 5 as appearing in the Standalone Financial Results for the quarter and year ended March 31, 2020</p> <p>5. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity coupled with total lockdown announced from March 25, 2020 due to COVID-19 pandemic which was gradually lifted based on the impact of outbreak.</p> <p>The Company's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the period ended December 2019, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of delayed payments metrics observed along with an estimation of potential stress on project completion in certain projects.</p> <p>Accordingly, the Company has measured additional impairment loss allowance on loans and other assets which has been disclosed under exceptional item in the Standalone Financial Results. The Company will continue to monitor any material changes to the future economic conditions based on the dynamic situation arising out of COVID - 19 pandemic situation.</p>		
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Qualification 1(a)- Repetitive (Fifth Year)	
		Qualification 1(b)- Re First time	
		Emphasis of Matter -1(c) - First time	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Nil	
	(i) Management's estimation on the impact of audit qualification:		
1	Turnover / Total Income		
2	Total Expenditure		
3	Net Profit/(Loss)		
4	Earnings Per Share		
5	Total Assets		
6	Total Liabilities		
7	Net Worth		
	(ii) If management is unable to estimate the impact, reasons for the same :	Management is of the view of the entire amount is recoverable	
	(iii) Auditors' Comments on (i) or (ii) above:	Refer Audit Report dated June 24, 2020 on the Standalone financial statement of the Company	
iii.	<p>Signatories:</p> <p>T .Shivaraman Managing Director , CEO</p> 	 <p>R.S Chandrasekharan Chief Financial Officer</p>	
	<p>Audit Committee Chairman</p> 	 <p>For MSKA & Associates Chartered Accountants Geetha Jayakumar Partner</p>	
Place:	Chennai		
Date :	24th June 2020		



ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2020 , [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
Rs lakhs			
1	Turnover / Total income	1,25,886.71	1,25,886.71
2	Total Expenditure	1,27,006.06	1,27,006.06
3	Net Profit/(Loss)	-1,119.36	-1,119.36
4	Earnings Per Share	-0.79	-0.79
5	Total Assets	2,60,265.39	2,60,265.39
6	Total Liabilities	1,18,537.31	1,18,537.31
7	Net Worth	1,41,728.08	1,41,728.08
8	Any other financial item(s) (as felt appropriate by the management)	-	-
ii.	Audit Qualification (each audit qualification separately):		
	a. Details of Audit Qualification:		
1(a)	<p>Financial Assets Loans (Non Current) include Rs. 3,800.40 Lakhs (March 31, 2019: Rs. 3,815.40 Lakhs) and Other Trade Receivables under "Other Non Current Financial Assets" include Rs. 310.04 Lakhs (March 31, 2019: Rs. 318.75 Lakhs), due from related party. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amounts and as these are outstanding for more than five years, we are unable to comment on the recoverability of the same. No provision with respect to the same is made in the books of accounts as explained in the Note 02 of consolidated financial results. The impact, if any, of the undetermined provision on the financial statements is not ascertainable currently.</p> <p>Note No 2 as appearing in the Consolidated Financial Results for the quarter and year ended March 31, 2020</p> <p>Financial Assets Loans (Non-Current) and Other Trade Receivables under "Other Non-Current Financial Assets" include 4,110.44 Lakhs (March 31, 2019: Rs. 4,134.15 Lakhs), due from Leivind Shriam Manufacturing Pvt Limited (LSML) (a related party). LSML is in the process of restructuring their operations and the dues are expected to be recovered earlier than the original repayment plan. Considering the developments, the management is confident of realizing the dues. The auditors have qualified this matter in their report for the Year ended March 31, 2020.</p>		
1(b)	<p>The carrying value of Deferred Tax Asset (DTA) include an amount of Rs. 43,520.00 Lakhs which is recognized on unabsorbed business losses. Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment on reasonable certainty of future taxable profits, as required by IND AS 12, considering current pandemic situation, we are unable to ascertain the extent to which the deferred tax asset can be utilized. Refer to Note 04 of consolidated financial result.</p> <p>Note No 4 as appearing in the Consolidated Financial Results for the quarter and year ended March 31, 2020</p> <p>Against the carried forward loss of Rs. 1,82,359 lakhs, the company has recognized deferred tax asset on a carry forward loss to the extent of Rs. 1,28,911 lakhs which results in DTA of Rs. 43,520.00 lakhs. Considering potential order book as on date, future business plan, projects in pipeline etc., the management is confident of adjusting these carry forward losses and reversal of DTA before the expiry of the period for which this benefit is available. The auditors have qualified this matter in their report for the Year ended March 31, 2020.</p>		
1(c)	<p>Emphasis of Matter</p> <p>a) We draw attention Note 05 to the consolidated financial results, which fully describes that the group has made an assessment to recognize an impairment loss of Rs. 2,748.97 Lakhs on financial assets to reflect the business impact and uncertainties arising from the COVID 19 pandemic. Further such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.</p> <p>Note No 5 as appearing in the Consolidated Financial Results for the quarter and year ended March 31, 2020</p> <p>5. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity coupled with total lockdown announced from March 25, 2020 due to COVID-19 pandemic which was gradually lifted based on the impact of outbreak. The Company's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the period ended December 2019, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on early indicators of delayed payments metrics observed along with an estimation of potential stress on project completion in certain projects. Accordingly, the Company has measured additional impairment loss allowance on loans and other assets which has been disclosed under exceptional item in the Consolidated Financial Results. The Company will continue to monitor any material changes to the future economic conditions based on the dynamic situation arising out of COVID - 19 pandemic situation.</p>		
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Qualification 1(a)- Repetitive (Fifth Year) Qualification 1(b)- Repetitive (Third Year; First time) Emphasis of Matter -1(c) - First time	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	Not Applicable	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Nil	
1	(i) Management's estimation on the impact of audit qualification:		
2	Turnover / Total income		
3	Total Expenditure		
4	Net Profit/(Loss)		
5	Earnings Per Share		
6	Total Assets		
7	Total Liabilities		
7	Net Worth		
	(ii) If management is unable to estimate the impact, reasons for the same :	Management is of the view of the entire amount is recoverable	
	(iii) Auditors' Comments on (i) or (ii) above:	Refer Audit Report dated June 24, 2020 on the Consolidated financial statement of the Company	
iii.	Signatories:	 R. S Chandrasekharan Chief Financial Officer	
	T. Shivarman Managing Director , CEO	 T. Shivarman Managing Director , CEO	
	Audit Committee Chairman	 Audit Committee Chairman	
	Place: Chennai	For MSKA & Associates Chartered Accountants Geetha Jayakumar Partner	
	Date : 24th June 2020	