Shriram epc
Engineering the future

Shriram EPC Limited

Nineteenth Annual Report 2018-2019

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. P.D. Karandikar	(DIN :02142050)	- Chairman
Mr. T. Shivaraman	(DIN :01312018)	- Managing Director & CEO
Mr. M. Amjat Shariff	(DIN :00009562)	- Joint Managing Director
Mr. R. Sundararajan	(DIN :00498404)	- Director
Mr. S. Bapu	(DIN :02541697)	- Director
Ms. Chandra Ramesh	(DIN :00938694)	- Director
Mr. K S Sripathi	(DIN :02388109)	- Director (w.e.f. 11.09.2018)
Mr. Surender Singh	(DIN :07821680)	- Nominee Director – Oriental Bank of Commerce
Mr. S Krishnamurthy	(DIN :00140414)	- Director (Resigned w.e.f.12.06.2018)

CHIEF FINANCIAL OFFICER

Mr. R.S. Chandrasekharan

VICE PRESIDENT & COMPANY SECRETARY

Mr. K. Suresh

AUDITORS

M/s. MSKA & Associates , Chartered Accountants, 5th Floor, Main Building,
Guna Complex, New No. 304 & 305, Mount Road, Teynampet, Chennai 600 018, Tamilnadu, INDIA.

BANKERS

Oriental Bank of Commerce
Punjab National Bank
Central Bank of India
Axis Bank Limited
IDBI Bank Limited
State Bank of India
The South Indian Bank Ltd
ICICI Bank limited
Allahabad Bank
Bank of Maharashtra
Bank of India
Indusind Bank Limited
Lakshmi Vilas Bank Limited
Corporation Bank
Bank of Baroda
Federal Bank Limited
Yes Bank Limited
IFCI Factors
Asset Care & Reconstruction Enterprise Limited

REGISTERED OFFICE

4th Floor, Sigappi Achi Building,
Door No. 18/3, Rukmini Lakshmipathi Salai,
Egmore, Chennai - 600 008.

Contents

Chairman's Message

Date : 27.05.2019

Dear Shareholders,

The past year performance has been satisfactory as the Company has been able to maintain its profitability. This is primarily due to the progress in the execution of the overseas project at Soha and reduction in the interest burden. The order backlog is healthy. The Company bagged orders over Rs.750 crores during the year mainly in the Water segment. The consolidated order book of the company stands at Rs 2448 crores crores which gives the required impetus for the next few years.

There has been increased investments by the government, both at the Centre and the states in infrastructure. Projects in the road and water sector have been given thrust. The steel sector however remained muted with slowdown in capex. The progress on the international project has been good and we hope this will be a major break for us to expand our horizons in the Middle East.

The outlook is exciting and we can look forward to maintain the momentum in the coming years.

At this juncture, I wish to express my gratitude and appreciation towards our employees, customers, business associates, suppliers and bankers who have stood by us during these trying times. Lastly, I would like to thank our shareholders for their unstinted support.

Yours sincerely,

P D Karandikar
(Din No.02142050)
Chairman

Financial Performance - Standalone

₹ in Crores

	As per IGAAP							As per IND AS		
Statement of Profit and Loss	**2009-10**	**2010-11**	**2011-12**	**2012-13 (15 months)**	**2013-14 (9 months)**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Gross Sales	1110.52	1282.17	1382.20	1705.13	495.09	547.66	547.60	519.69	615.04	740.66
Other Income	11.21	43.04	25.69	60.35	26.78	11.03	113.03	87.83	105.33	74.27
Interest	41.72	85.72	196.87	410.94	190.75	190.87	271.73	297.59	103.51	95.45
Profit Before Taxation	67.12	94.83	39.13	(305.13)	(425.44)	(252.62)	(244.03)	(226.39)	24.26	28.62
Profit After Taxation	44.66	69.61	25.51	(262.86)	(439.37)	(252.85)	(244.03)	(150.92)	10.76	28.62

	As per IGAAP							As per IND AS		
Balance Sheet	**2009-10**	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Fixed Assets (Net)	141.70	136.13	126.25	53.86	69.84	70.41	55.21	60.87	55.79	53.78
Investments (Current and Non current)	210.64	267.57	289.82	244.33	45.49	45.49	5.42	1.33	1.31	1.12
Net Deferred Tax	(28.02)	(28.94)	(30.73)	13.93	0.00	0.00	414.26	489.74	476.24	476.24
Net Assets(Current and Non Current)	1423.55	1933.81	1517.50	2147.97	2299.58	2551.98	2128.43	1985.41	1793.44	2006.20
Share Capital	43.91	44.26	44.34	44.36	344.36	386.36	330.63	936.97	971.53	971.53
Other Equity	376.19	442.18	463.14	200.30	(239.07)	(324.38)	(403.77)	191.67	257.79	286.55
Loan Funds	630.92	1212.23	1793.50	1559.74	1724.20	2121.42	1878.88	836.19	793.28	632.60

Notice of Nineteenth Annual General Meeting

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held on Wednesday, the 18th September 2019 at 10 AM at Mini Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017 to transact the business the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31 March, 2019 and the reports of the Auditors thereon.

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

   RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. R. Sundararajan (DIN 00498404), Director of the Company, who retires by rotation at this 19th Annual General Meeting of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation to hold office from the date of this 19th Annual General Meeting (2019) till the date of 20th Annual General Meeting (2020) of the Company, both days inclusive".

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

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr.M Amjat Shariff (DIN: 00009562), who retires by rotation at this meeting and being eligible has offered himself for re-appointment."

   SPECIAL BUSINESS:

   APPOINTMENT OF MR. K S SRIPATHI AS A DIRECTOR OF THE COMPANY:

4 To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the company, Mr. K S Sripathi (DIN: 02388109), who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 11th September, 2018 and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit proposing his candidature for the office of director be and is hereby appointed as the Director of the Company for a period of 5 years."

   "RESOLVED FURTHER THAT any of the directors of the company be and are hereby authorized to do all such acts, deeds and things as may be required for the above resolution."

   "RESOLVED FURTHER THAT Mr. K S Sripathi (DIN: 02388109) Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for 5 consecutive years for a term upto the conclusion of the 24th Annual General Meeting of the Company.

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

   RESOLVED THAT pursuant to Section 148(3) and all other applicable provision of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.50000/- (Rupees fifty thousand only) (exclusive of service tax as may be applicable) and payment of such out of pocket expenses approved by the Board of Directors to be paid to Mr. G Sundaresan, Cost Accountant (Membership No: 11733), for conduct of the audit of the cost accounting records of the Company for the financial year ended 31st March, 2020 be and is hereby ratified and confirmed .

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: -

   "RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with the following related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value as mentioned against each party for the financial year 2019-20, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

Sl. no	Name of the Related party	Relationship	Maximum Value of Transactions per annum (Rs. in crores)
1	Orient Green Power Company Limited	Company over which Key Managerial Personnel exercise significant influence	2.00
2	Bharat Wind Farm Limited	Company over which Key Managerial Personnel exercise significant influence	0.05
3	Shriram SEPL Composites Pvt. Limited	Subsidiary of the Entities exercising significant influence over the Company	5.00
4	Leitwind Shriram Manufacturing Pvt. Ltd.	Enterprises under the joint control of the Entities exercising significant influence over the Company	10.00
5	Shriram EPC FZE Sharjah	100% subsidiary	70.00

RESOLVED further that the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

By Order of the Board of Directors

Chennai
6th August, 2019

K SURESH
Vice President & Company Secretary

Notes

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and Vote on a poll only instead of him / her. The proxy need not be a member of the Company. A blank form of proxy is enclosed herewith and if intended to be used, it should be returned duly completed at the Registered Office of the Company not later than fortyeight hours before the scheduled time of the commencement of 19th Annual General Meeting.

1 A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business is annexed herewith.

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.

4. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

6. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

7. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

8. Additional information pursuant to regulation 36 of the Listing Regulations viz. Soft Copy of full annual report to all those shareholders who have registered their email address(es) for the purpose, Hard copy of statement containing the salient features of all the documents as prescribed in Section 136 of Companies Act, 2013 or rules made thereunder to those shareholders who have not so registered. Hard copies of full annual reports to those shareholders, who request for the same inter-se are provided in the Explanatory Statement forming part of the notice.

   The Register of Members and the Share Transfer Books of the Company shall remain closed Monday, 9th September 2019 to Wednesday, 18th September, 2019 (both days inclusive), for the purpose of Annual General Meeting.

9. Members are requested to notify the change in their address, if any, immediately, so that all communications can be sent to the latest address. In case of members holding shares in physical form, all intimations regarding change of address and change of bank account details are to be sent to M/s. Cameo Corporate Services Ltd, Subramanian Building, No:1 Club House Road, Chennai-600002. Members, who hold shares in electronic form, are requested to notify any change in their particulars like change in address, bank particulars etc. to their Depository Participants immediately.

10. Pursuant to provisions of Section 125 of the Companies Act, 2013, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

   The following are the details of the Unpaid / Unclaimed amounts transferred by the Company along with the underlying shares of 2194 shares.

Financial Year	Amount transferred to IEPF
2008-09	Rs. 49,370
2009-10	Rs. 78,939
2010-11	Rs.1,65,411

   Members who have not encashed their dividend warrants are requested to lodge their claims with the IEPF Authorities.

11. Copies of the Annual Report 2019 are being sent by electronic mode only to all the members, who's Email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose Email IDs are registered with the Company/ Registrars M/s. Cameo Corporate Services Limited, and have given consent for receiving communication electronically, copies of the Annual Report 2019 are being sent by electronic mode only. For members who have not registered their Email addresses, physical copies of the Annual Report 2019 are being sent by the permitted mode.

12. The Notice of the 19th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose Email addresses are registered with the Company/ Depository Participants unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose Email IDs are registered with the Company/ Registrars M/s. Cameo Corporate Services Limited, and have given consent for receiving communication electronically, the Notice of the 19th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode. For members who have not registered their Email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

13. Members may also note that the Notice of the 19th Annual General Meeting and the Annual Report 2019 will also be available on the Company's website www.shriramepc.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's Registrars M/s. Cameo Corporate Services Limited at evoting@.com

14. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.

15. Voting through Electronic means

   (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies

Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India , the Company is pleased to provide to the members the facility to exercise their right to vote at the 19th Annual General Meeting (AGM) by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

(ii) The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting.

(iii) The members who have cast their vote by remote e-voting may also attend the Meeting, but shall not be entitled to cast their vote again.

(iv) The Company has engaged the services of Central Depository Securities Limited (CDSL) as the Agency to provide e-voting facility.

(v) The Company has appointed Mr. Rajiblochan Sarangi, Practicing Company Secretary (Membership No. 20312) as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.

(vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e 11.9. 2019.

(vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 11.9. 2019 only shall be entitled to avail the facility of remote e-voting.

(viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 11.9.2019, may obtain the User ID and password in the manner as mentioned below:

a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting. com the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

b) Member may call Central Depository Securities Limited (CDSL) toll free number1800-200-5533.

c) Member may send an e-mail request to evoting. com. If the member is already registered with NSDL e-voting platform, then he can use his existing User ID and password for casting the vote through remote e-voting.

(ix) The remote e-voting facility will be available during the following period: Commencement of remote e-voting : From 9.00 a.m. (IST) on 15th September 2019.

End of remote e-voting : Up to 5.00 p.m. (IST) on 17th September, 2019.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon the expiry of the aforesaid period.

(ii) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, within 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.shriramepc.com and on the website of CDSL https://cdslindia. com. The results shall simultaneously be communicated to the Stock Exchange.

(iii) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e.18th September, 2019.

(iv) Instructions and other information relating to remote e-voting:

A. I.The Company has entered into an arrangement with Central Depository Securities Limited (CDSL) for facilitating e-voting for AGM. The instructions for e-voting are as under:

a. In case of Members receiving an e-mail from CDSL:

i. Open the PDF file 'SEPC e-Voting.pdf' attached to the e-mail, using your Client ID / Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the Password provided in PDF is an 'Initial Password'.

ii. Launch an internet browser and open https://www. evoting. CDSL.com/

iii. Click on Shareholder - Login.

iv. Insert 'User ID' and 'Initial Password' as noted in step (i) above and click 'Login'.

v. Password change menu will appear. Change the Password with a new Password of your choice. Please keep a note of the new Password.

It is strongly recommended not to share your Password with any person and take utmost care to keep it confidential.

vi. Home page of e-voting will open. Click on e-Voting - Active Voting Cycles.

vii. Select 'EVEN' of Shriram EPC Limited.

viii. Now you are ready for e-voting as 'Cast Vote' page opens.

ix. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.

x. Upon confirmation, the message 'Vote cast successfully' will be displayed.

xi. Once you have voted on the resolution, you will not be allowed to modify your vote.

xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at scrutinizer@ snaco.net with a copy marked to evoting@ cdsl.co.in.

In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip

I. Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
–	–	–

Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast vote.

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of CDSL's e-voting website www.evoting.cdsl.com.

III. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting vote.

IV. The voting rights shall be as per the number of equity share held by the Member(s) as on 11th September 2019. Members are eligible to cast vote electronically only if they are holding shares as on that date.

V. The e-voting module shall be disabled by CDSL at 5.00 p.m. on the same day.

By Order of the Board

K Suresh
Vice President &
Company Secretary

Chennai
6th August, 2019

Registered Office:
Sigappi Achi Building, 4th Floor,
18/3 Rukmini Lakshmipathi Road,
Egmore, Chennai-600008
CIN: L74210TN2000PLC045167
Tel:+91(44)49015678 Fax: 91(44)4901 5655
E-mail:suresh@shriramepc.com
Website: www.shriramepc.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO 4

Appointment of Mr. K S Sripathi (DIN: 02388109) as an Independent Director.

The Board of Directors of the Company through circular resolution on 10th September, 2018, appointed Mr. K S Sripathi as an Additional Director of the Company with effect from 11th September, 2018, and the Articles of Association of the Company.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. K S Sripathi (DIN: 02388109) as an Additional Director of the Company, with effect from 11th September 2018 under Sections 149, 150 and 152 of the Companies Act, 2013 and Article 68 (ii) of the Articles of Association of the Company as an Independent Director of the Company. Mr. K S Sripathi holds office upto the date of forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a period of 5 years.

The Company has received a declaration of independence from Mr. K S Sripathi. In the opinion of the Board, Mr. K S Sripathi fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and Listing Regulations, of being eligible for appointment as Independent Director for a period of 5 years. Mr. K S Sripathi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. A copy of the draft Letter of Appointment for the Independent Director is available for inspection at the Registered Office of the Company during business hours on any working day.

The Board recommends the resolution set forth for the approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution except Mr. K S Sripathi.

Item no.5

Pursuant to Section 148(3) and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) has approved the appointment of Mr. G Sundaresan, Cost Accountant (Membership No: 11733 as Cost Auditor to conduct the audit of cost records of the Company for the financial year ending on 31st March 2020 on a remuneration of Rs.50000/-(exclusive of service tax as may be applicable) and payment of such out of pocket expenses. The remuneration payable to the cost auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of members is sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditor for the financial year ending 31st March, 2020 in terms of Section 148(3) and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014. The Board recommends the ratification of remuneration payable to Cost Auditor for the financial year ending 31st March, 2020.

ITEM NO.6

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Accordingly, transaction(s) entered into with the below mentioned parties comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company in the financial year 2019-20 and the value of proposed aggregate transactions with the various parties which is likely to exceed the said threshold limit, during the financial year 2019-20. The Particulars of the Related Party transactions, which are required to be stated in the Explanatory Statement, as per Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 are as follows:

Sl. no	Name of the Related party	Relationship	Maximum Value of Transactions per annum (Rs. in crores)
1	Orient Green Power Company Limited	Company over which Key Managerial Personnel exercise significant influence	2.00
2	Bharat Wind Farm Limited	Company over which Key Managerial Personnel exercise significant influence	0.05
3	Shriram SEPL Composites Pvt. Limited	Subsidiary of the Entities exercising significant influence over the Company	5.00
4	Leitwind Shriram Manufacturing Pvt. Ltd.	Enterprises under the joint control of the Entities exercising significant influence over the Company	10.00
5	Shriram EPC FZE Sharjah	100% subsidiary	70.00

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

Name of the Related Party	As per table above
Name of the Director or Key Managerial Personnel who is related, if any	Mr. T. Shivaraman may be deemed to be concerned in his capacity as Director of Orient Green Power Company Limited, SVL Ltd, Shriram EPC FZE Sharjah Mr. R Sundararajan and Ms. Chandra Ramesh may be deemed to be concerned in their capacity as Directors of Orient Green Power Company Limited Mr. K S Sripathi may be deemed to be concerned in his capacity as Director of Shriram EPC FZE Sharjah
Nature of Relationship	As per table above
The nature, material terms, monetary value and particulars of the contract or arrangement	All proposed transactions are proposed to be carried out based on business requirements of the Company and shall be in ordinary course of business and at arms' length. All the transactions are for availing or rendering of services within SEPC group, details of value and material terms of which are given in table above
Any other information relevant or important for the members to take a decision on the proposed resolution	None

The above contracts / arrangements / transactions were approved by the Audit Committee at its meeting held on August 06, 2019 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval.

As per Regulation 23(7) of SEBI(LODR) Regulations, 2015 all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.
Accordingly, all related parties of the Company, including, the Directors and Key Managerial Personnel of SEPC will not vote on this resolution.

None of the Directors or any of the Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 6 of the Notice. However, Mr. T. Shivaraman may be deemed to be concerned in his capacity as Director of Orient Green Power Company Limited ,SVL Ltd and Shriram EPC FZE Sharjah , Mr R Sundararajan and Ms. Chandra Ramesh as Directors of Orient Green Power Company Limited and Mr. K S Sripathi as Director of Shriram EPC FZE Sharjah.
The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

K Suresh
Vice President &
Company Secretary

Chennai
6th August, 2019

Registered Office:
Sigappi Achi Building, 4th Floor,
18/3 Rukmini Lakshmipathi Road,
Egmore, Chennai-600008.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AS AN INDEPENDENT DIRECTOR AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Clause 49(IV)(g) of the Listing Agreement)

Name of the Directors	Mr. R Sundararajan	Mr. M Amjat Shariff	Mr. K S Sripathi
Date of Birth (Age in years)	28.04.1948 (71 Years)	4.4.1955 (64 Years)	9.10.1951 (68 Years)
Date of Appointment	22.10.2005	20.09.2007	11.09.2018
Qualifications	Mechanical Engineer from the Jadhavpur University, Calcutta, and an MBA from Indian Institute of Management, Ahmedabad	M Tech (Chem) from IIT, Chennai	Post Graduate in Science, Business Administration
Experience and expertise in specific functional area	Over 40 years in the Pharmaceutical Industry. He has spearheaded significant technology innovations and foreign collaborations in this sector.	Project execution, sales, marketing and corporate planning. He has specialized in coresector, executing and management of projects, particularly related to steel, copper and power.	Having entered the Indian Administrative Service in1975 he retired as the Chief Secretary of the Government of Tamilnadu in the year 2010. He had worked with the Government of India as Director and the Joint Secretary in the Ministry of Urban Development.
Shareholding in Shriram EPC Limited	9800 shares	282984 shares	NIL
Relationship with other Directors / KMPs	NIL	NIL	NIL
Directorships / held in other Listed Companies	Orient Green Power Company Limited, Take Solutions Limited, Shriram Asset Management Company Limited	NIL	Trigyn Technologies Limited
Committee Membership and	Chairman – Audit Committee & Nomination &	NIL	Member – Audit Committee – Trigyn Technologies
Chairmanship held in other Listed Companies	Remuneration Committees Member – Stakeholder Relationship Committee – Take Solutions Limited., Chairman – Stakeholder Relationship Committee Member – Audit Committee and Nomination Remuneration Committee - Orient Green Power Company Limited		

Notes:

1. The Directorship, Committee Membership and Chairmanships do not include positions in Foreign companies, unlisted companies, private companies and Section 8 companies.
2. The proposal for re-appointment of Directors has been approved by the Board of Directors pursuant to the recommendation of Nomination and Remuneration Committee considering their skills, experience and positive outcome of performance evaluation.
3. Terms and conditions of re-appointment and remuneration are as per the Nomination and Remuneration Policy of the Company.
4. Detailed profile of Directors, number of meetings of the Board of Directors attended by them during the financial year and remuneration drawn are provided in the Corporate Governance Report which forms part of the Annual Report.

Management Discussion and Analysis FY - 2018-19

Company Overview

Headquartered in Chennai, Tamil Nadu, Shriram EPC Limited (SEPC) is one of the country's leading service provider of integrated design, engineering, procurement, construction and project management services for water and waste-water treatment plants, water infrastructure, process and metallurgy plants, power plants, and mines and mineral processing.

SEPC has a proven track record, having executed some of the most complex and technically challenging projects across the country and overseas.

Industry Overview covering key sectors of operations

Water and waste- water treatment and infrastructure

Major investments are being made in Water infrastructure across the country. Addressing the drinking water issue has become the prime focus for many of the municipal bodies in India. We are witnessing scaling up of investments towards water supply schemes for meeting the needs of the growing population and the industry at large.

A visible trend is noticeable across India wherein the majority of states are undertaking steps towards meeting their targets for constructing and rejuvenating water harvesting structures for watershed development. Five states namely —Andhra Pradesh, Punjab, Tamil Nadu, Goa, and Himachal Pradesh—have achieved 100% of their target structures in FY16-17. The domestic water treatment industry catering to the household is growing rapidly.

The water sector involves various stakeholders such as municipal bodies, state and central government, agriculture industrial, commercial and households. The Municipal corporations are the ones spending millions of rupees across the country to ensure or increase the water supply for various segments. The potable water requirement is limited to households whereas the need to treat or recycle the used water or wastewater for non-potable use is increasing and investment is pouring into this segment. The Ministry of Water Resources, River Development and Ganga Rejuvenation have instituted National Water Awards with the objective to encourage all stakeholders to manage their water resources efficiently and create a water consciousness in the country.

Overall Sector Outlook

Based on the projects tracked by India Infrastructure Research, the short term (by 2018-19) and long-term (April 2019-March 2026) investment requirement for the sewerage sector is estimated at Rs 204 billion and Rs 167 billion respectively.

About 118 sewerage projects involving a combined investment of Rs 370.55 billion are on the anvil. Of these, 56 projects are under bidding, which are likely to be awarded in the next 5-6 months. The remaining 62 projects involving a combined investment of Rs 166.75 billion are either announced or are planned to be taken up in the future.

Overall, projects in the pipeline are expected to create more than 11,550 mld of additional sewage treatment capacity and expand the sewerage network by 18,280 km.

Going forward, the government will continue to play a key role in driving sector growth by way of approving new programmes and schemes.

Metallurgy

Rise in infrastructure development and automotive production are driving growth in the metals and mining sector in India. India has vast mineral potential with mining leases granted for longer durations of 20 to 30 years. India produces 95 minerals, 4 fuel-related minerals, 10 metallic minerals, 23 non-metallic minerals, 3 atomic minerals and 55 minor minerals (including building and other minerals).

Mineral production in India grew at a CAGR of 5.72 per cent between 2013-14 and 2017-18 to reach a size of US$ 17.62 billion.

India holds a fair advantage in cost of production and conversion costs in steel and alumina. The country is the 3rd largest steel producer in the world with production of 101.4 million tonnes of crude steel in 2017. Crude Steel and Finished Steel production during 2017-18 was 103.13 million tonnes and 104.98 million tonnes respectively. India is the largest producer of sheet mica in the world and has the 7th largest bauxite reserves at around 2,908.85 million tonnes in FY17. Iron ore production grew from 129.32 million tonnes to 200.96 million tonnes FY15 - FY18 and is forecasted to grow at the rate of 5 % in FY19.

Global Steel Demand-

- After a contraction of -3.0% reported in 2015, global steel demand is continuously growing and the trend is expected to remain positive in the coming years as well. Rising trade tensions and volatile currency movements though could halt the growth momentum in the global steel industry.
- The Short Range Outlook of the World Steel Association has projected that global steel demand will reach 1,657.9 Million Tonnes (mnt) in 2018, an increase of 3.9% over 2017. For year 2019, it is forecasted that global steel demand will grow by 1.4% reaching to 1,681.2 mnt.
- The report further states that while the demand for Steel is expected to remain healthy in the developed regions; demand in developing economies though are expected to revive amidst challenges.

Highest Y-o-Y steel consumption growth for India-

- India's steel demand continues to grow and it is expected to overtake USA in terms of steel demand in 2019.

- The demand will be supported by improving investment and infrastructure programmes.

The Government to Focus on Increasing Per Capita Steel Consumption to 160 kg by 2030

- The Government of India is undertaking efforts towards increasing per capita steel consumption, finding new markets for India-made steel and a shift in the industry's attention towards production of special steel. The Government has fixed a target to ramp up the country's crude steel production to 300 mnt by 2030 from about 138 mnt at the end of March 2018 and attain per capita steel consumption of 160 kg by 2030.
- India is number two in the world in terms of steel output and as the production is growing, it needs to look for markets locally as well as outside India. The focus in the near term will be to increase the per capita steel consumption in India & increasing the output of special steel in India.

Road ahead

India's steel consumption is rising at least 5.5 - 6 % every year, tracking GDP growth of over 7%. With minimal new steel capacity expected to be commissioned until 2021 in India, robust steel demand -- especially from the construction, infrastructure and automotive sectors -- will keep end-product prices high, even as rising costs for key inputs, coking coal and iron ore, pressure profitability. Meanwhile, India's steel sector consolidation will drive improvement in the industry's capacity utilisation levels and mute the pressure on profitability.

Company Overview

Your Company offers services relating to industrial processes, metallurgy, thermal power plants, biomass power plants, Mines and Mineral processing, water and waste and water management and distribution systems.

Water and Waste Water Management

SEPC provides turnkey design – build environmental projects related to water and waste water treatment, management and water distribution system.

SEPC is amongst the leading player offering technologies and services that help municipal and industrial customers meet their wastewater treatment requirements.

The company undertakes municipal services projects and is involved in EPC projects for water treatment plants, underground drainage systems, wells and pump houses and pipe rehabilitation systems.

Process & Metallurgy, Mining & Ropeway

SEPC provides turnkey contracting solutions comprising of designing, engineering and construction for Ferrous & Non Ferrous Industries, Cement Plants, Coke Oven & By-product Plants, Process Plants and material handling, Mining & Ropeway.

The Company's broad range of metallurgical process design options helps reduce risk, enhance value and maximize return.

SEPC's has strategic tie-ups with renowned global players in this segment

The Company's client roster comprises of renowned brands like Grasim, SAIL, RINL, NMDC, Hindustan Copper, Kerala Feeds etc.

KEY DEVELOPMENTS IN FY 2018-19

The Company continued its march upward. The overseas project in the Middle East contributed significantly to the Company's turnover and profitability. Future prospects have also immensely improved given the steady buildup of the order book, widening of offerings and elevation of project execution skills.

International Markets

Project in Sohar, Oman

The overseas project in the Middle East for constructing Balance of Plant (BoP) for 1.2 MTPA Mini Mill Project in Sohar, Sultanate of Oman through its 100 % subsidiary, SHRIRAM EPC FZE, SHARJAH is in advanced stage of completion. The project is expected to be completed by February 2020.

Project in Basra, Iraq

The Company had received a Contract (Mokul Shriram EPC JV) for Sewerage Water, Storm Water and Trunk Sewer Pipeline Project along with Civil Works and Road Works at Al Qibla area, Basra, for Basra Governorate, Basra, Iraq valued at USD 236 Mn. in joint venture with Mokul Infrastructure Private Limited in 2012. However, during 2013-14, the Governate had cancelled the contract without giving any proper reason.

The Company then went to the Cessation Courts in Iraq and during the year, MSJV had won its appeal for compensation in the Court of Cessation in Iraq. Subsequently Governorate of Basra (GOB) reinstated the contract for USD 236 Mn. The Company share of Contract is USD 118 Mn (50%).

Domestic markets

During the year, the Company has received the following orders:

Water projects		Rs. in crs
DWSD – Jharkhand – Tandwa	--	236.28
JUIDCO – Dhandbad	--	166.16
JUIDCO – Kunti	--	59.54
DWSD – Jharkhand – Chaibasa	--	94.03
DWSD – Jharkhand – Tant Nagar	--	91.69
DWSD – Jharkhand – Margomounda	--	105.84
Total		**753.54**

The entire domestic order inflows are for water infrastructure as there is a steady stream of investments from municipalities and local bodies for upgradation of infrastructure. Investment into asset formation in Steel has been subdued in recent years in the domestic markets on account of sub-optimal capacity utilisation and high cost of capital. However, the domestic markets are witnessing green shoots of activity and it is expected that investment for capacity creation will resume in the upcoming quarters and years.

SWOT Analysis

Strengths –

Strong Promoter Support – SEPC is promoted by SVL Ltd. Their support has been extremely valuable and has contributed largely in business growth sustenance during extremely challenging periods in recent times.

Technical Proficiency – SEPC's efficiency in providing high end designing and engineering solutions have enabled it to carve out a niche for itself in domestic and international market. The Company's ability to offer cost effective solutions to its clients facilitates them to improve their competitive positioning, maximize assets and increase long term business success. Further, SEPC's capability in offering customized solutions helps it to differentiate itself from the rest. The confluence of such factors results in securing repeat orders from its clients.

Well established in sectors with high potential – SEPC has developed strong expertise and offerings catering to sectors such as water and waste-water distribution and water treatment plants, process and metallurgy projects, mines & mineral processing and power plants including renewable energy. The water sector especially enjoys high potential and provides the company significant opportunity for further growth in India and overseas market.

Skilled Management – A strong management team with rich experience has been instrumental in guiding the Company through the most challenging and difficult times for the EPC Industry. The Company is well supported by its Board of directors, who have helped the management to take certain strategic decisions to ensure that the growth and development of the business of the Company is maintained.

Weakness –

Cyclical nature of business– Despite offering solutions and services across various sectors, the Company's success is dependent upon the business climate and health of the overall economy. Any slowdown in domestic or global business environment might result in clients delaying or curtailing their expansion plan in turn affecting the growth of our business.

Financial Position – SEPC's financial strength is impacted by external environment. The promoters have also periodically supported the Company financially. As the cash flows improve, its ability to compete for business will be enhanced.

Opportunities –

Domestic Market

Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports. In order to boost the construction of buildings in the country, the Government of India has decided to come up with a single window clearance facility to accord speedy approval of construction projects.

In the roads sector, the government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with a large number of private players entering the business through the public-private partnership (PPP) model. India is expected to become the third largest construction market globally by 2022. India has a requirement of investment worth Rs 50 trillion (US$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country.

All villages in India will be connected through a road network by 2019 under Pradhan Mantri Gram Sadak Yojana (PMGSY). In August 2017, a new Metro Rail Policy was announced to boost private investment in the sector. The Government is also working on improving energy infrastructure in the country and investment opportunities worth US$ 300 billion will be available in the sector in the coming 10 years.

The infrastructure sector has become the biggest focus area of the Government of India. Under Union Budget 2019-20, US$ 63.20 billion was allocated to the sector.

International Markets

The progress and completion of its international project will be a landmark and provide the company with a track record and platform to leverage as it pursues more opportunities in the Middle East and adjoining markets, where the operating margins are better due to multiple factors like profile of projects, labour availability, stringent norms and procedures.

Wider Offerings

SEPC has broadened its offerings over the years by not only becoming horizontally integrated but by also venturing into newer segments. Expertise across multiple verticals has not only enabled the Company to lower its concentration risk but the same has also enabled SEPC accrue synergetic benefits for its existing core business.

Threats –

Regulatory & Political Risk

The Company functions in a dynamic and ever changing business environment, wherein any sudden withdrawal or policy cancellation can have an adverse impact on the businesses overall operations. In addition, higher level of regulations can also have an adverse impact on the Company's profitability.

Increasing Competition

Heightened competition results in increased bidding for projects at unviable margins. In addition, increased competition can have a negative impact on profitability owing to lower revenue generation and greater operating cost.

SEPC Outlook

The Company had been going through a challenging period consequent to slowing capex activities and higher prevailing interest rates in the country. To sustain in the infrastructure space, the Company undertook a series of measures towards improving its operational efficiencies, reducing expenses and negotiating with the bankers for securing better terms on existing debt. The promoters showed their confidence in the business and offered support in taking management decisions in addition to infusing funds to strengthen liquidity profile and sustain operating expenses. The faith was equally replicated by our clients who despite the testing situation had little hesitation in awarding repeat contracts to the Company - a testament to our project execution capability.

The Company's strategic initiatives are also ably supported by improving macro environment on the back of supportive policies of the government.

The combination of the above has seen a meaningful improvement in the financial position of the Company. Operationally as well the performance has improved on multiple parameters with greater traction and stability. Diversification of customers, industries as well as geographies has enabled SEPC to emerge as a stronger and more capable EPC player. The Company is confident of further elevating its performance given the improved prospects across the landscape for its customer industries in India and overseas.

Financial Performance

Revenue –Total income during the year stood at Rs. 1,201.96 crore when compared with Rs. 828.87 crore generated during corresponding period last year.

Other Income – Other income comprising mainly of interest income for the period stood at Rs.74.34 crore as against Rs.105.36 crore.

Expenditure – Total expenditure before interest and depreciation for the year stood at Rs. 1,139.14 crore compared to Rs. 813.22 crore during the previous year.

Interest – Interest expense for the year stood at Rs.95.45 crore as against Rs. 103.73 crore.

Depreciation – Depreciation expense for the year stood at Rs.5.67 crore as against Rs. 5.86 crore.

Provision for Taxation – During the year the current taxation is Rs. 0.86 crore (Previous Year Nil). The provision for Deferred tax is Nil compared to Rs.13.51 crore mainly on account of profits made during the year.

Profit after Tax – The Company reported a profit after tax of Rs.30.59 crore for the year as against Rs. 2.10 crore loss during previous year.

Equity –The Company's share capital remained the same during the year.

Loan – The loans (short term and long term) outstanding as on 31.03.2019 is Rs. 632.60 crores compared to the position as on 31.03.2018 of Rs. 793.28 crores. Cash and bank balance as of 31.03. 2019 stood at Rs. 30.60 crore as against Rs. 23.73 crore in the previous year resulting in a net debt at Rs. 602.00 crore (Rs. 769.55 crores).

Risk Management and Internal Controls

Risk Management

Your Company's risk management policy, approved by the Board of Directors supports business endurance and ensures achievement of strategic goals. The purpose of risk assessment is to identify and analyze risks that could affect the achievement of specified targets, and to identify measures to reduce risks.

Project Risks:

The Infrastructure Industry is going through tough times and the Compound Annual Growth Rate (CAGR) for the next five years is expected to be -6.5 %. In the execution of large projects there could be exposure to time and cost overruns. To mitigate these risks, the project management team and the project accounting and governance framework has been further strengthened. The Company has developed a separate structure at Project sites with defined roles and accountability of individuals especially for large projects.

Competition Risks:

The Infrastructure Industry is intensely competitive with some of the existing players adopting inorganic growth strategies. To mitigate this risk, the Company is leveraging on its expertise, experience and it's created opportunities to enlarge product portfolio and service offerings.

OH&S Risks:

Safety of employees and workers is of utmost importance to the Company. To reinforce the safety culture in the Company, it has identified Occupational Health & Safety as one of its focus areas. Various training programmes have been conducted at the sites such as behavior based safety training program, Visible Safety Leadership program, Logistics Safety program etc. The accountability structure has also been strengthened by integrating OH&S competencies into the job descriptions of all Line Management and Safety Professionals.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all project sites of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

HUMAN RESOURCES

SEPC recognizes that its employees are its key assets and that the Company's eventual performance is dependent on its ability to motivate and retain quality people.

Many initiatives have been taken to support business through organizational efficiency, process change and various employee engagement programmes. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet future talent requirement.

The Company's HR processes follow an improved hiring and on-boarding, fair and transparent performance evaluation and talent management process, and market aligned policies.

Leadership Development

As a part of leadership development, a number of senior, middle and other employees are identified for additional responsibilities or are assigned to small independent projects for identifying talent.

The Company also imparts necessary training and education on its employees in the area of Health, Safety and environment.

As of March 2019, the Company's total human capital comprising of experienced and well skilled employees stood at 416.

Directors' Report

Dear Shareholder,

Your Directors present the Nineteenth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2019.

FINANCIAL RESULTS (₹ in Crores)

	Consolidated (12 months)	Consolidated (12 months)	Standalone (12 months)	Standalone (12 months)
	2018-19	2017-18	**2018-19**	2017-18
Total Income	**1,276.30**	934.22	**814.93**	720.37
Profit before Interest, Depreciation, tax and extra-ordinary items	**137.16**	121.00	**134.26**	133.61
Interest & depreciation	**101.11**	109.59	**101.04**	109.35
Profit before tax & before exceptional items	**36.05**	11.41	**33.22**	24.26
Exceptional items	**(4.60)**	-	**(4.60)**	-
Provision for taxation	**0.86**	13.51	**-**	13.50
Profit after tax & extra-ordinary items	**30.59**	(2.10)	**28.62**	10.76
Balance brought forward from last year	**(1,708.21)**	(1,706.12)	**(1,660.91)**	(1,671.67)
Profit available for appropriation	**(1,677.62)**	(1,708.21)	**(1,632.29)**	(1,660.91)
Transfer to general reserves	**-**	-	**-**	-
Surplus carried forward	**(1,677.62)**	(1,708.21)	**(1,632.29)**	(1,660.91)

OPERATING RESULTS & PERFORMANCE

During the financial year ended March 31, 2019 the company had recorded a total income at Rs. 814.93 Crores as against Rs. 720.37 Crores in the previous year on a standalone basis. Profit was at Rs. 33.22 Crores as against a profit of Rs. 24.26 Crores during the corresponding period.

Profit after tax was at Rs. 28.62 crores as against a Rs.10.76 crores in the corresponding period.

BUSINESS HIGHLIGHTS

During the year, the operations of the Company showed momentum with the overseas project at Sohar Oman showing good progress. This project is expected to be completed by February 2020. This will be a significant land mark for the Company to bid for other projects in the Middle East market. In addition, these overseas project are with better margins and off sets the lower margin on domestic projects. The Company continued to be under some stress on the cash flows primarily due to delays in approval and release of enhanced limits from Banks which affected the domestic project execution schedule. Further, there were procedural formalities to be completed in addressing bank related issues, which also delayed availment of limits.

During the year, your company was awarded domestic orders over Rs. 753 crores. Significant orders include the following:

Domestic orders

Water and Infrastructure projects ₹ In Crores

DWSD – Jharkhand – Tandwa	--	236.28
JUIDCO - Dhandbad	--	166.16
JUIDCO – Kunti	--	59.54
DWSD – Jharkhand – Chaibasa	--	94.03
DWSD – Jharkhand – Tant Nagar	--	91.69
DWSD – Jharkhand – Margomounda	--	105.84
Total		**753.54**

Company's Order Book Rs 2448 crores (Including Mokul Shriram EPC JV is Rs 2676 Crores) as at March 31, 2019 and

BASRA PROJECT

The Company had received a Contract in Mokul Shriram EPC JV(MSJV) for Sewerage Water, Storm Water and

Trunk Sewer Pipeline Project along with Civil Works and Road Works at Al Qibla area, Basra, for Basra Governorate, Basra, Iraq valued at USD 236 Mn. in joint venture with Mokul Infrastructure Private Limited in 2012. However, the work was withdrawn by Governorate of Basra(GOB) in February 2014 citing reasons of delay. However, last year the contract was restored to MSJV by Governorate of Basra (GOB) for USD 236 Mn. The Company share of Contract is USD 118 Mn (50%). GOB approved sub-contracting to a local contractor and contractor had submitted PBG for 5% value to GOB.

During the year, Trade Bank of Iraq released the payment for first bill after settling the liabilities of MSJV balance. It is to be noted that the turnover on this project will flow through MSJV and the Company will be recognizing 50% of the turnover in its books.

DEVELOPMENTS DURING THE YEAR

During the year, the Company received an Order No. CP/714(IB)/CB/2017 dated 17th May 2018 from the National Company Law Tribunal, Division Bench, Chennai in directing commencement of corporate resolution process under Insolvency and Bankruptcy code, 2016 in the matter of application of Asset Care & Reconstruction Enterprises Limited.

Subsequently, the CIRP proceedings had been stayed by the National Company Law Appellate Tribunal dated 31/5/2018 on the Company appeal (AT)(Ins) No.241/2018. Further, the National Company Law Appellate Tribunal (NCLAT) on 25th July 2018 resolved the stay order against the Company in connection with a petition filed by ACRE (Asset Care & Reconstruction Enterprises Limited) under the Corporate Insolvency Resolution Process (CIRP).

The NCLAT accepted the stand that there was no default on the part of the Company and that the issue arose because the consortium bankers did not accept ACRE as a lender since the deed of Accession had not been executed by ACRE in an aligned manner. The bench had also noted that the issues between ACRE and consortium stood resolved.

BUSINESS RISK MANAGEMENT

Pursuant to the requirement of Regulation 21 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has constituted Business Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate, treat and Report business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as well as business segments and its mitigation plans.

The business risks identified by the Company and its mitigation plans are as under:

Project Risks:

In the context of the projects being executed, the Company reviews the risks associated with a project in all the following aspects, but not restricted to:

- Client related details such as financial closure of the project, creditworthiness and reputation of the client before even signing of the contract.
- Estimation risk like price and quantity variances, contingency provision, forex fluctuation on a periodic basis.
- Commercial risks like taxes and duties, payment terms, bank guarantee requirements
- Organisational risks like availability of technical and managerial resources, gap funding needs, consortium partner's roles and responsibilities.
- Performance risk like achievability of guarantee parameters, time schedule, warranty and defect liability obligations.
- Interfacing risks like coordination with multiple agencies for approvals and clearance
- Geographic risks like unfavourable weather conditions, earth quake floods etc.

The above key risks are closely tracked for timely mitigation.

Competition Risks:

The Infrastructure Industry is intensely competitive. To mitigate this risk, the company is leveraging on its expertise, experience to increase market share, enhance brand equity / visibility and enlarge product portfolio and service offerings.

Occupational Health &Safety (OHS) Risks:

Safety of employees and workers is of utmost importance to the company. To reinforce the safety culture in the company, it has identified occupational health & safety as one of its focus areas. Various training programmes have been conducted at the sites such as behaviour based safety training program, visible safety leadership program, logistics safety program etc.

ECONOMIC SCENARIO AND OUTLOOK

Global growth is expected to be sustained over the next couple of years. The global outlook is still subject to substantial downside risks, including the possibility of financial stress, increased protectionism, and rising geopolitical tensions.

BUSINESS OVERVIEW

Your Company operates in the turnkey contracts business.

The turnkey contracts business covers the engineering, procurement and construction projects, which include renewable energy projects like biomass-based power plants, metallurgical and process plant projects and municipal services projects like water and wastewater treatment plants, water and sewer infrastructure and pipe rehabilitation.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has through Circular No.17/2011 pronounced a Green initiative in Corporate Governance that allows Companies to send notices/ documents to shareholders electronically. The Green Initiative endeavors to reduce consumption of paper, in turn preventing deforestation and contributes towards a green and clean environment. In support of the initiative announced by MCA, your Company will send notices convening Annual General Meeting, Audited Financial Statements, Directors Report and Auditors' Report etc in electronic form in the current financial year. Your Company would like to continue the Green Initiative further and requests all shareholders to opt for electronic documents.

However, on request by any member of the Company/ Statutory Authority interested in obtaining full text of the financial statements, these documents will be made available for examination, at its registered office. On personal request by any shareholder, a physical copy of the Annual Accounts need to be provided. Pursuant to this, a statement summarizing the financial results of the Subsidiary is attached to the Consolidated Financial Statement.

SUBSIDIARY

SHRIRAM EPC FZE, SHARJAH

During the year, the progress of the contract execution for constructing Balance of Plant (BoP) for 1.2 MTPA Mini Mill Project in Sohar, Sultanate of Oman has been satisfactory. Nearly 65% of the project has been completed. The project is expected to be completed by February 2020.

The contribution of the turnover from SEPC FZE Sharjah will be more than 20% of the turnover for the current financial year. As per Regulation 24(J) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on June 7, 2018 prescribes that at least one independent director on the board of a listed company is to be appointed on the board of an unlisted material subsidiary, which extends to unlisted foreign subsidiaries if the Company expects more than 20% of the turnover for the current financial year from the wholly owned subsidiary. Hence, the Company during the year appointed Mr. K S Sripathi, an Independent Director on the Board of Shriram EPC FZE, Sharjah Wholly Owned Subsidiary.

SHRIRAM EPC ARKAAN LLC (formerly SHRIRAM EPC MUSCAT LLC)

During the year, the Company's wholly owned subsidiary, Shriram EPC FZE Sharjah invested 175000 Omani Riyal being 70% in the equity capital of Shriram EPC Arkaan LLC. By this, Shriram EPC Arkaan LLC becomes the step down subsidiary of the Company. The reason for forming this LLC in Muscat is to implement the project at Sohar, Oman and to bid for future projects in the area.

ASSOCIATES

HALDIA COKE & CHEMICALS PVT. LTD (HCCL)

The Company has been referred to NCLT and the plans are being drawn for settlement with the creditors.

DIVIDEND

Due to carry forward of losses, the Board has decided not to recommend a Dividend.

SHARE CAPITAL

The authorized and paid-up capital of your Company is Rs.1050 crs and Rs.971.53 crores respectively.

The shareholding pattern as on 31st March 2019 is as under:

Sl	Shareholders	% holding
1	SVL Ltd (Promoter)	28.76
2	Bankers	66.93

The total net worth of the Company as at 31st March, 2019 on Standalone basis was Rs.1,258.08 crores.

DETAILS OF DEPOSITS

The Company has not accepted any Deposits covered under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

In addition to the Internal Controls on Operations, the Board has laid emphasis on adequate internal financial controls to ensure that the financial affairs of the Company are carried out with due diligence. Apart from Internal Audit function which scrutinizes all the financial transactions, there are also processes laid down, leading to CFO/CEO certification to Board on the adequacy of Internal Financial Controls as well as internal controls over financial reporting.

RE-APPOINTMENT / APPOINTMENT OF DIRECTORS

The Board of Directors of your Company appointed / re-appointed the following Directors during the financial year:

At the 14th AGM of the Company held on September 10, 2014, Mr. R. Sundararajan was appointed as on Independent Director of the Company for a period of five consecutive years and therefore, his first term of appointment shall end at the conclusion of the ensuing 19th AGM of the Company to be held in the year 2019.

Considering his immense contributions towards the Company and pursuant to the recommendations of the Nomination & Remuneration Committee, the Board in its meeting held on August 06, 2019 recommended to the shareholders of the Company, the re-appointment of Mr. R. Sundararajan, as Director for a period of one year from the conclusion of the 19th AGM of the Company till the conclusion of the 20th AGM.

b. In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. M Amjat Shariff was re-appointed as the Joint Managing Director of the Company in the category of Non-Retiring Director in the AGM held on August 3, 2018 for a period of three years. However, pursuant to the Articles of Association of the Company, if at any time, the number of Directors liable to retire by rotation fall below one-third of the total number of Directors (excluding Independent Directors), the term of Mr. M Amjat Shariff as a Director shall be liable to retire by rotation for the time such number is below one-third.

Currently, the number of Directors liable to retire by rotation has fallen below one-third. Accordingly, Mr. M Amjat Shariff shall retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment as Director of the Company. However, his term as Joint Managing Director of the Company would continue uninterrupted post his re-appointment as Director.

Necessary resolutions in respect of re-appointment of Directors mentioned above are included in the Notice convening the ensuing AGM.

Your Board recommends the re-appointments of Mr. R Sundararajan and Mr. M Amjat Shariff.

The particulars in respect of these Directors as required under Regulation 36(3) of the Listing Regulations, are mentioned elsewhere in the Notice of AGM.

Mr. K S Sripathi, Director was appointed as Additional Director on 11/09/2018 and as a Non-Executive & Independent Director under Sections 149, 150, 152 and its related and applicable provisions of the Companies Act, 2013. He holds office till the ensuing Annual General Meeting of the Company where he will seek election as a Director for a period of 5 years.

EVALUATION OF BOARD'S PERFORMANCE

As per the provisions of Section 134(3) (p) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Risk Management Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization programmes for Independent Directors of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the following link: http://www.shriramepc.com/Companies-Act-2013-Compliance.aspx

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (Act) stating that the Independent Directors of the Company met with the criteria of Independence laid down in Section 149(6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

REMUNERATION POLICY

Pursuant to Section 178(3) of the Companies Act, 2013, the Board on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and other employees and their remuneration.

The details of the Remuneration Policy are stated in the Corporate Governance Report.

NUMBER OF MEETINGS OF THE BOARD

During the year 2018-19, 4(Four) meetings of the Board of Directors were held on 7th June 2018, 10th August 2018, 12th November 2018, 7th February 2019. The Audit Committee had met Four (4) times on 7th June 2018, 10th August 2018, 12th November 2018, 7th February 2019. The details of the said meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

There was also a Meeting convened and conducted by the Interim Resolution Professional on 30th May 2018.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b. that the directors had selected such accounting policies as mentioned in Note No: 2. of the Financial Statements and applied them consistently and judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2019 and of the Profit of the Company for the year ended on that date;

c. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the directors had prepared the annual accounts on a going concern basis;

e. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the company at large. None of the Directors had any pecuniary relationships or transactions vis-à-vis the Company other than sitting fees and reimbursement of expenses incurred, if any, for attending the Board meetings.

All related party transactions are placed before the audit committee for review and approval as per terms of the Policy for dealing with related parties. Prior omnibus approval of the audit committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the audit committee and the board of directors for their approval on a quarterly basis.

The policy on related party transactions as approved by the board is uploaded on the company's website at the following link. http://www.shriramepc.com/Companies-Act-2013-Compliance.aspx and the Policy on material subsidiaries is available at http://www.shriramepc.com/pdf/Policy-on-Material-Subsidiaries-01-04-2019.pdf

EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE STATUTORY AUDITORS AND THE PRACTISING COMPANY SECRETARY IN THEIR REPORT

The explanations/comments made by the Board relating to qualification, reservations or adverse remarks made by the Statutory Auditors and the Practising Company Secretary in their respective reports are furnished below:

QUALIFICATIONS OF STATUTORY AUDITORS

Management response for Audit Qualification:

Financial Assets Loans (Non-current) include Rs 3,815.40 lakhs (March 31, 2018: Rs. 3,677.28 Lakhs) and other trade receivables under "Other Non-Current Financial Assets include net amount of Rs 318.75 lakhs (March 31, 2018: Rs. 307.21 Lakhs), due from related party. As part of the Corporate debt restructuring package entered into by LSML with its bankers, the dues to SEPC is subordinated to the dues to bankers. Since the bankers dues are getting settled, the dues of SEPC are expected to be recovered earlier than the original repayment plan ending on 2030. Considering the developments, the management is confident of realizing the dues. The same have also ben qualified in the previous year.

QUALIFICATIONS BY THE SECRETARIAL AUDITORS

Management's response

Point No.1

Noted and will be adhered in future.

Point No.2

The Company has filed MGT-14 with the description on the Form as Financial Statement but in the enclosed Resolution it was clearly mentioned as Standalone & Consolidated.

Point No.3

The Closure of Trading Window was intimated for the Original Meeting scheduled on 25th May 2018 which got cancelled and postponed due to IRP issue to 09th June and later the rescheduled meeting to 7th June 2018.

The same has happened in the case of 10th August, 2018. Meeting initially scheduled for 03rd August, 2018 and then postponed to 10th August, 2018.

Point No.4

This advertisement was meant only for few shareholders. The same was not intimated to Stock Exchange by oversight. This will be taken care of in the future.

Point No.5

The Voting Results in PDF format was submitted immediately after the results had been announced and acknowledgement received from SE.

Later, on 31st Dec.2018 as required by SE the Company had submitted the same in XBRL format.

Point No.6

No specific reason was mentioned in the said Resignation Letter of the Director and the Company has just intimated to SEs accordingly. The Management noted the observation and assured that the reasons would be mentioned in the future by any of the Directors resigning in future.

Point No.7

The Pdf format was submitted within due date. Subsequently, the Company has started filing in XBRL format also as required by the Stock Exchanges.

Point No.8

The intimation to the Stock Exchange was delayed due to delay in receipt of few documents from the director.

Point No.9

The PDF format was filed on time and the delay in XBRL was due to some technical issues.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There are no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

COMPOSITION OF AUDIT COMMITTEE

Pursuant to Section 177 of the Companies Act, 2013, during the year, the Audit Committee was reconstituted* by the Board of Directors which consists of the following members:

1. Mr. P D Karandikar - Chairman
2. Mr. S Bapu - Member
3. Ms. Chandra Ramesh - Member
4. Mr. K S Sripathi - Member

*Meeting date: 12th November 2018

The Board has accepted the recommendations of the Audit Committee and there were no incidences of deviation from such recommendations during the financial year under review.

VIGIL MECHANISM

The Company has devised a vigil mechanism in pursuance of provisions of Section 177(10) of the Companies Act, 2013 for Directors and employees to report genuine concerns or grievances to the Audit Committee in this regard and details whereof are available on the Company's website.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of the Companies Act, 2013, during the year, the Board had reconstituted the Nomination and Remuneration Committee consisting of the following members:

1. Ms. Chandra Ramesh - Chairman
2. Mr R. Sundararajan - Member
3. Mr. P D Karandikar - Member
4. Mr. K S Sripathi - Member

The said committee has been empowered and authorized to exercise powers as entrusted under the provisions of Section 178 of the Companies Act, 2013. The Company had laid out the policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section 3 of Section 178 of the Companies Act, 2013.

Policy on Criteria for Board Nomination and Remuneration is available in the website of the Company under the link http://www.shriramepc.com/Companies-Act-2013-Compliance.aspx

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is carrying forward a Loss of Rs. 1,63,228 Crores. However, Corporate Social Responsibility Committee is formed based on the net worth of the Company as per the Companies (Corporate Social Responsibility Policy) Rules, 2014.

INSIDER TRADING GUIDELINES

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated a Code of Conduct on Prohibition of Insider Trading ('Insider Trading Code') and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code') which are in force. The Fair Disclosure Code is available on the website of the Company at http://www.shriramepc.com/investors-insider-trading-guidelines.aspx

AUDITORS

The Company's auditors, M/s. MSKA & Associates (ICAI Firm Registration Number- 105047W have been appointed for a period of 5 years till the end of 22nd Annual General Meeting of the Company (2022).

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 (Act) read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, (Rules) Mr. G Sundaresan, CMA (Membership No:11733) was appointed as Cost Auditor of the company for the financial year 2019-20 on a remuneration of Rs.50,000/-. In terms of the Act and Rules referred above the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification.

Accordingly, a resolution seeking member's ratification for the remuneration payable to Mr. G Sundaresan, CMA, Cost Auditor is included at Item No.5 of the notice convening the annual general meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the report of Messrs R Sridharan & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit, is annexed herewith (Page No.60).

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India has issued Secretarial Standards (Meetings of the Board and General Meetings) on various aspects of Corporate Law and Practices. The Company has complied with each one of them.

DISCLOSURE REQUIREMENTS

- The Company complies with all applicable mandatory Secretarial standards issued by the Institute of Company Secretaries of India
- None of the Auditors of the Company have reported any fraud as specified under second proviso of Section 143(12) of the Companies Act 2013 (including any statutory modification (s) or re-enactment(s) thereof for the time being in force.

- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/Directors: and
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, highlighting the business details, is attached and forms part of this report.

CORPORATE GOVERNANCE

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations.

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Report on Corporate Governance along with a Certificate from the Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Part E of Schedule V of Sub-Regulation 34(3) of the Listing Regulations is attached to this report.

PROTECTION OF WOMEN AT WORK PLACE

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013.

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

The following is the summary of sexual harassment complaints during the year 2018-19.

No. of complaints received – Nil

No. of complaints disposed off – Not Applicable

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, is given below:

Earnings in Foreign Currency: Nil
Expenditure in Foreign Currency: Rs. 32.99 Crores.

(₹ in Crores)

Travelling and conveyance	0.80
Professional and consultation fees	0.01
Material consumed in Execution and Engineering contracts	31.82
Erection, Construction & Operation Expenses	0.32
Others	0.04
Total	32.99

Transfer to Investor Education and Protection Fund Authority

The unclaimed Dividend for financial year 2008-09 ₹ 49,370/-, 2009-10 of ₹ 78,939/- and 2010-11 ₹ 1,65,411 respectively, were transferred to the Investor Education and Protection Fund (“IEPF”), as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Authority”) along with underlying 2194 equity shares.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in the prescribed form MGT 9 as per Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed to and forms part of this Report.

PARTICULARS OF EMPLOYEES

The ratio of remuneration of each Director to the median of employees’ remuneration as per Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed to and forms part of this report.

Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 or amendments made thereto

S.No	Name	Remuneration Received (Rs. in Laks)	Designation	Qualification & experience	Age (Years)	Last employment held
1	R.SRIRAM	80.00	EXECUTIVE DIRECTOR	B Tech, M S- 31 years	54	Saag RR Infra Ltd-MD
2	K.P.MISHRA	65.00	EXECUTIVE DIRECTOR	BE-MECH- 41 years	66	Tata Projects- Head SBU
3	M.AMJAT SHARIFF	62.15	JOINT MANAGING DIRECTOR	MTECH- 39 years	64	President- TTG Inds
4	T. SHIVARAMAN	62.15	MANAGING DIRECTOR & CEO	BTECH/MS- 29 years	53	Chief-Technical services- Shriram Towertech Ltd
5	R.S.CHANDRASEKHARAN	42.23	CHIEF FINANCIAL OFFICER	BCOM/FCA/ DIPIFR(ACCA-UK)- 34 years	59	Corporate Financial Controller- Shasun Pharmaceuticals Ltd
6	D.ARIVALAGAN	48.73	SENIOR VICE PRESIDENT	BE-MECH- 36 years	61	General Manager- Shriram PPR Technology P Ltd
7	SRIKANTH VARADHAN	48.30	SENIOR VICE PRESIDENT & HEAD OF WATER DIVN	BE-CIVIL- 25 years	49	AGM-IVRCL Infrastructure & projects
8	K.CHINNARAJU	48.00	PRESIDENT	BEMECH-37 years	62	AGM-Jindal stainless Ltd
9	K SURESH	36.80	VICE PRESIDENT & COMPANY SECRETARY	B COM(HONS)/ ACS/ PG DIP-CS-33 years	57	Zonal Head(South)- Tally Solutions P Ltd
10	R.VENKATARAMANAN	41.90	SENIOR VICE PRESIDENT	BE-CHEMICAL-31 years	53	Manager- Nama Chemicals group,KSA

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statement pursuant to Section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by the Ministry of Corporate Affairs in exercise of the powers conferred by Section 133 of the Companies Act, 2013.

APPRECIATION & ACKNOWLEDGEMENTS

The Directors wish to thank the bankers for their continued assistance and support. The Directors also wish to thank the Shareholders of the company for their continued support even during these testing period. Further, the Directors also wish to thank the customers and suppliers for their continued cooperation and support. The Directors further wishes to place on record their appreciation to all employees at all levels for their commitment and their contribution.

For and on behalf of the Board

P D Karandikar
(DIN: 02142050)
Chairman

27th May, 2019
Chennai

FORM MGT-9

Extract of Annual Return as on the financial year ended on 31 March, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L74210TN2000PLC045167
ii	Registration Date	12th June 2000
iii	Name of the Company	Shriram EPC Limited
iv	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
v	Address of the Registered office and contact details	Sigapi Achi Building, 4th Floor No.18/3 Rukmani Lakshmipathi Road, Egmore, Chennai-600 008
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Subramanian Building, V Floor No. 1, Club House Road Chennai 600 002 India Tel: (91 44) 2846 0390 / 40020700 (Board) Fax: (91 44) 2846 0129 Email: shriramepc@cameoindia.com Website: www.cameoindia.com Contact Person: Mr. R.D. Ramasamy

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No.	Name and description of main products / services	NIC code of the product/ service	% to total turnover of the Company
1	EPC	4220	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl no	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	SVL Ltd 123, Angappa Naicken Street, Chennai-600001	U74900TN1986PLC013431		28.76%	2(69)
2	Shriram EPC FZE, Sharjah	NA	Subsidiary	100%	2(87)
3	Shriram EPC Arkan LLC Muscat	NA	Step down subsidiary	-	2(87)
4	Haldia Coke & Chemicals Pvt Ltd. Sigapi Achi Building, 4th Floor No.18/3, Rukmani Lakshmipathi Road, Egmore, Chennai-600 008	U15541TN2004PTC054260	Associate	48.48%	2(6)

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

(i) Category-wise Share Holding

Name of the Company	:	SHRIRAM EPC LIMITED	
Face Value	:	10/-	
Paidup Shares as on 01-Apr-2018	:	971529018	
Paidup Shares as on 30-Mar-2019	:	971529018	
For the Period From	:	01-Apr-2018	To : 30-Mar-2019

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**SHAREHOLDING OF PROMOTER AND PROMOTER GROUP**									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	0	0	0	0.00	0	0	0	0.00	0.00
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
c.	BODIES CORPORATE	279391356	0	279391356	28.76	279391356	0	279391356	28.76	0.00
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	**279391356**	**0**	**279391356**	**28.76**	**279391356**	**0**	**279391356**	**28.7579**	**0.00**
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.00	0	0	0	0.00	0.00
b.	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
c.	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	**279391356**	**0**	**279391356**	**28.76**	**279391356**	**0**	**279391356**	**28.76**	**0.00**
B.	**PUBLIC SHAREHOLDING**									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.00	0	0	0	0.00	0.00
b.	FINANCIAL INSTITUTIONS/ BANKS	653681924	0	653681924	67.28	650598233	0	650598233	66.97	-0.32

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

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
e.	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i.	ANY OTHER									
	Foreign Portfolio Investor (Corporate) Category I	13494	0	13494	0.00	0	0	0	0.00	-0.00
	Foreign Portfolio Investor (Corporate) Category II	454227	0	454227	0.05	450186	0	450186	0.05	-0.00
	Foreign Portfolio Investor (Corporate) Category III	824914	0	824914	0.08	0	0	0	0.00	-0.08
		1292635	**0**	**1292635**	**0.13**	**450186**	**0**	**450186**	**0.05**	**-0.08**
	SUB - TOTAL (B)(1)	**654974559**	**0**	**654974559**	**67.42**	**651048419**	**0**	**651048419**	**67.01**	**-0.40**
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	16943340	0	16943340	1.74	5254043	0	5254043	0.54	-1.20
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	10640248	1561	10641809	1.10	12461254	1541	12462795	1.28	0.19
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	7079989	0	7079989	0.73	20965769	0	20965769	2.16	1.43
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
d.	ANY OTHER									
	CLEARING MEMBERS	126919	0	126919	0.01	68103	0	68103	0.01	-0.01
	DIRECTORS AND THEIR RELATIVES	579449	20	579469	0.06	579449	20	579469	0.06	0.00
	FOREIGN CORPORATE BODIES	608000	0	608000	0.06	0	0	0	0.00	-0.06
	HINDU UNDIVIDED FAMILIES	810060	0	810060	0.08	0	0	0	0.00	-0.08
	IEPF	0	0	0	0.00	2194	0	2194	0.00	0.00
	NON RESIDENT INDIANS	373517	0	373517	0.04	510518	0	510518	0.05	0.01
	Resident HUF	0	0	0	0.00	1246352	0	1246352	0.13	0.13

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

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Others	**2497945**	**20**	**2497965**	**0.26**	**2406616**	**20**	**2406636**	**0.25**	**-0.01**
	SUB - TOTAL (B)(2)	**37161522**	**1581**	**37163103**	**3.83**	**41087682**	**1561**	**41089243**	**4.23**	**0.40**
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	**692136081**	**1581**	**692137662**	**71.24**	**692136101**	**1561**	**692137662**	**71.24**	**0.00**
	TOTAL (A)+(B)	**971527437**	**1581**	**971529018**	**100.00**	**971527457**	**1561**	**971529018**	**100.00**	**0.00**
C.	**SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED**									
	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
	Public	0	0	0	0.00	0	0	0	0.00	0.00
	TOTAL CUSTODIAN (C)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	GRAND TOTAL (A)+(B)+(C)	**971527437**	**1581**	**971529018**	**100.00**	**971527457**	**1561**	**971529018**	**100.00**	**0.00**

ii) Shareholding of Promoters

Name of the Company: SHRIRAM EPC LIMITED

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year							
		No of shares	'% of total shares of the company	'% of shares pledged / encumbered to total shares	No of shares	'% of total shares of the company	'% of shares pledged / encumbered to total shares	'% change in shareholding during the year	FOLIO/DP_CL_ID	PAN	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
1	SVL LIMITED	273516953	28.15	14.67	198339054	20.42	14.67	-7.74	'IN30002011730413	AAACS7696D	142489592	142489592
	HAVING SAME PAN											
1	SVL LIMITED	0	0.00	0.00	43395398	4.47	0.00	4.47	'IN30131321128083	AAACS7696D	0	0
	HAVING SAME PAN											
1	SVL LIMITED	0	0.00	0.00	37656904	3.88	3.88	3.88	'1203840001372810	AAACS7696D	0	37656904
	HAVING SAME PAN											
1	SVL	5874403	0.6	0.00	0	0.00	0.00	-0.60	'1301490000019372	AAACS7696D	0	0

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

Name of the Company : SHRIRAM EPC LIMITED

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company		
1	SVL LIMITED						
	At the beginning of the year 01-Apr-2018	273516953	28.15	273516953	28.15	'IN30002011730413	AAACS7696D
	Sale 26-Oct-2018	-32000000	3.29	241516953	24.86		
	Sale 02-Nov-2018	-43177899	4.44	198339054	20.42		
	At the end of the Year 30-Mar-2019	198339054	20.42	198339054	20.42		
	HAVING SAME PAN						
1	SVL LIMITED						
	At the beginning of the year 01-Apr-2018	0	0.00	0	0.00	'IN30131321128083	AAACS7696D
	Purchase 02-Nov-2018	38177899	3.93	38177899	3.93		
	Purchase 29-Mar-2019	5217499	0.54	43395398	4.47		
	At the end of the Year 30-Mar-2019	43395398	4.47	43395398	4.47		
	HAVING SAME PAN						
1	SVL LIMITED						
	At the beginning of the year 01-Apr-2018	0	0.00	0	0.00	'1203840001372810	AAACS7696D
	Purchase 26-Oct-2018	37874403	3.90	37874403	3.90		
	Purchase 02-Nov-2018	5000000	0.51	42874403	4.41		
	Sale 29-Mar-2019	-5217499	0.54	37656904	3.88		
	At the end of the Year 30-Mar-2019	37656904	3.88	37656904	3.88		
	HAVING SAME PAN						
1	SVL						
	At the beginning of the year 01-Apr-2018	5874403	0.60	5874403	0.60	'1301490000019372	AAACS7696D
	Sale 26-Oct-2018	-5874403	0.60	0	0.00	'	
	At the end of the Year 30-Mar-2019	0	0.00	0	0.00		

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

Name of the Company : SHRIRAM EPC LIMITED

Sl No	Name of the Share holder	Shareholding at the beginning of the yea		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company		
1	STATE BANK OF INDIA						
	At the beginning of the year 01-Apr-2018	0	0.00	0.00	0.00	'IN30378610000023	AAACS8577K
	Purchase 11-May-2018	64466433	6.64	64466433	6.64		
	Purchase 08-Jun-2018	43664378	4.49	108130811	11.13		
	Purchase 02-Nov-2018	326979	0.03	108457790	11.16		
	Purchase 07-Dec-2018	307674	0.03	108765464	11.19		
	Purchase 21-Dec-2018	16869379	1.74	125634843	12.93		
	At the end of the Year 30-Mar-2019	125634843	12.93	125634843	12.93		

iv) **Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)** *(Contd.)*

Sl No	Name of the Share holder	Shareholding at the beginning of the yea		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company		
	HAVING SAME PAN						
1	STATE BANK OF INDIA						
	At the beginning of the year 01-Apr-2018	64591309	6.65	64591309	6.65	'IN30378610000279	AAACS8577K
	Sale 11-May-2018	-64466433	6.64	124876	0.01		
	Sale 02-Nov-2018	-124876	0.01	0.00	0.00		
	At the end of the Year 30-Mar-2019	0.00	0.00	0.00	0.00		
	HAVING SAME PAN						
1	STATE BANK OF INDIA						
	At the beginning of the year 01-Apr-2018	44174155	4.55	44174155	4.55	'IN30378610000262	AAACS8577K
	Sale 08-Jun-2018	-43664378	4.49	509777	0.05		
	Sale 02-Nov-2018	-202103	0.02	307674	0.03		
	Sale 07-Dec-2018	-307674	0.03	0.00	0.00		
	At the end of the Year 30-Mar-2019	0.00	0.00	0.00	0.00		
	HAVING SAME PAN						
1	STATE BANK OF INDIA						
	At the beginning of the year 01-Apr-2018	16869379	1.74	16869379	1.74	'IN30081210491164	AAACS8577K
	Sale 21-Dec-2018	-16869379	1.74	0.00	0.00		
	At the end of the Year 30-Mar-2019	0.00	0.00	0.00	0.00		
2	CENTRAL BANK OF INDIA						
	At the beginning of the year 01-Apr-2018	93570276	9.63	93570276	9.63	'IN30081210491515	AAACC2498P
	At the end of the Year 30-Mar-2019	93570276	9.63	93570276	9.63		
3	ORIENTAL BANK OF COMMERCE						
	At the beginning of the year 01-Apr-2018	0.00	0.00	0.00	0.00	'IN30081210491105	AAACO0191M
	Purchase 18-May-2018	68993446	7.10	68993446	7.10		
	Sale 25-May-2018	-46229	0.005	68947217	7.10		
	At the end of the Year 30-Mar-2019	68947217	7.10	68947217	7.10		
	HAVING SAME PAN						
3	ORIENTAL BANK OF COMMERCE						
	At the beginning of the year 01-Apr-2018	69109490	7.11	69109490	7.11	'IN30002010060150	AAACO0191M
	Sale 18-May-2018	-68993446	7.10	116044	0.01		
	At the end of the Year 30-Mar-2019	116044	0.01	116044	0.01		

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) *(Contd.)*

Sl No	Name of the Share holder	Shareholding at the beginning of the yea		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company		
4	IDBI BANK LTD.						
	At the beginning of the year 01-Apr-2018	59631183	6.14	59631183	6.14	'IN30081210495586	AABCI8842G
	Sale 24-Aug-2018	-8240	0.00	59622943	6.14		
	Sale 31-Aug-2018	-124540	0.01	59498403	6.12		
	Sale 07-Sep-2018	-577666	0.06	58920737	6.06		
	Sale 14-Sep-2018	-692787	0.07	58227950	5.99		
	Sale 21-Sep-2018	-454868	0.05	57773082	5.95		
	Sale 28-Sep-2018	-8195	0.00	57764887	5.95		
	Sale 19-Oct-2018	-21000	0.00	57743887	5.94		
	Sale 02-Nov-2018	-71810	0.01	57672077	5.94		
	Sale 09-Nov-2018	-26729	0.00	57645348	5.93		
	Sale 16-Nov-2018	-14165	0.00	57631183	5.93		
	At the end of the Year 30-Mar-2019	57631183	5.93	57631183	5.93		
5	PUNJAB NATIONAL BANK						
	At the beginning of the year 01-Apr-2018	55282938	5.69	55282938	5.69	'IN30081210501028	AAACP0165G
	At the end of the Year 30-Mar-2019	55282938	5.69	55282938	5.69		
6	THE SOUTH INDIAN BANK LTD						
	At the beginning of the year 01-Apr-2018	39805326	4.10	39805326	4.10	'IN30009511274987	AABCT0022F
	At the end of the Year 30-Mar-2019	39805326	4.10	39805326	4.10		
7	AXIS BANK LIMITED						
	At the beginning of the year 01-Apr-2018	35664419	3.67	35664419	3.67	'IN30048410820757	AAACU2414K
	At the end of the Year 30-Mar-2019	35664419	3.67	35664419	3.67		
	HAVING SAME PAN						
7	AXIS BANK LIMITED						
	At the beginning of the year 01-Apr-2018	89533	0.01	89533	0.01	'IN30048412622255	AAACU2414K
	Sale 06-Apr-2018	-48000	0.00	41533	0.00		
	Purchase 13-Apr-2018	25	0.00	41558	0.00		
	Sale 04-May-2018	-500	0.00	41058	0.00		
	Purchase 11-May-2018	4400	0.00	45458	0.00		
	Sale 18-May-2018	-1800	0.00	43658	0.00		
	Purchase 25-May-2018	47185	0.00	90843	0.01		
	Sale 01-Jun-2018	-47988	0.00	42855	0.00		
	Purchase 08-Jun-2018	1186	0.00	44041	0.00		
	Sale 15-Jun-2018	-23	0.00	44018	0.00		
	Sale 22-Jun-2018	-696	0.00	43322	0.00		
	Sale 29-Jun-2018	-5600	0.00	37722	0.00		

iv) **Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)** *(Contd.)*

Sl No	Name of the Share holder	Shareholding at the beginning of the yea		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company		
	Purchase 06-Jul-2018	1548	0.00	39270	0.00		
	Purchase 13-Jul-2018	20039	0.00	59309	0.01		
	Purchase 20-Jul-2018	4749	0.00	64058	0.01		
	Sale 27-Jul-2018	-45839	0.00	18219	0.00		
	Sale 03-Aug-2018	-1000	0.00	17219	0.00		
	Sale 31-Aug-2018	-500	0.00	16719	0.00		
	Purchase 21-Sep-2018	52384	0.01	69103	0.01		
	Purchase 28-Sep-2018	7950	0.00	77053	0.01		
	Sale 05-Oct-2018	-62119	0.01	14934	0.00		
	Purchase 19-Oct-2018	54009	0.01	68943	0.01		
	Sale 26-Oct-2018	-49817	0.00	19126	0.00		
	Sale 02-Nov-2018	-100	0.00	19026	0.00		
	Sale 09-Nov-2018	-4430	0.00	14596	0.00		
	Sale 23-Nov-2018	-5350	0.00	9246	0.00		
	Purchase 30-Nov-2018	348	0.00	9594	0.00		
	Sale 31-Dec-2018	-698	0.00	8896	0.00		
	Purchase 08-Mar-2019	120	0.00	9016	0.00		
	Purchase 29-Mar-2019	133	0.00	9149	0.00		
	At the end of the Year 30-Mar-2019	9149	0.00	9149	0.00		
	HAVING SAME PAN						
7	AXIS BANK LIMITED						
	At the beginning of the year 01-Apr-2018	3366	0.00	3366	0.00	'IN30048413892539	AAACU2414K
	Sale 13-Apr-2018	-25	0.00	3341	0.00		
	Purchase 11-May-2018	20000	0.00	23341	0.00		
	Sale 18-May-2018	-20000	0.00	3341	0.00		
	Sale 06-Jul-2018	-3341	0.00	0	0.00		
	At the end of the Year 30-Mar-2019	0	0.00	0	0.00		
8	BANK OF INDIA						
	At the beginning of the year 01-Apr-2018	27857738	2.87	27857738	2.87	'IN30074910000012	AAACB0472C
	At the end of the Year 30-Mar-2019	27857738	2.87	27857738	2.87		
9	BANK OF MAHARASHTRA						
	At the beginning of the year 01-Apr-2018	24398370	2.51	24398370	2.51	'IN30038610000287	AACCB0774B
	At the end of the Year 30-Mar-2019	24398370	2.51	24398370	2.51		
10	ALLAHABAD BANK						
	At the beginning of the year 01-Apr-2018	22860043	2.35	22860043	2.35	'IN30081210490813	AACCA8464F
	At the end of the Year 30-Mar-2019	22860043	2.35	22860043	2.35		
	NEW TOP 10 AS ON (30-Mar-2019)						

v) Shareholding of Directors and Key Managerial Personnel:

Name of the Company: SHRIRAM EPC LIMITED

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company		
1	AMJAT SHARIFF M						
	At the beginning of the year 01-Apr-2018	282974	0.03	282974	0.03	'IN30131320668989	AAQPS9393A
	At the end of the Year 30-Mar-2019	282974	0.03	282974	0.03		
2	T SHIVARAMAN						
	At the beginning of the year 01-Apr-2018	282675	0.03	282675	0.03	'1203840001707045	AACPS3488G
	At the end of the Year 30-Mar-2019	282675	0.03	282675	0.03		
	HAVING SAME PAN						
2	T SHIVARAMAN						
	At the beginning of the year 01-Apr-2018	3000	0.00	3000	0.00	'IN30036022465056	AACPS3488G
	At the end of the Year 30-Mar-2019	3000	0.00	3000	0.00		
3	RANGASWAMY SUNDARA RAJAN						
	At the beginning of the year 01-Apr-2018	9800	0.00	9800	0.00	'1203840000800556	AACPR1580Q
	At the end of the Year 30-Mar-2019	9800	0.00	9800	0.00		
4	T SHIVARAMAN						
	At the beginning of the year 01-Apr-2018	1000	0.00	1000	0.00	'IN30036022567986	AAAHT0053L
	At the end of the Year 30-Mar-2019	1000	0.00	1000	0.00		
5	AMJAT SHARIFF M						
	At the beginning of the year 01-Apr-2018	10	0.00	10	0.00	'00000006	
	At the end of the Year 30-Mar-2019	10	0.00	10	0.00		
6	SHIVARAMAN T						
	At the beginning of the year 01-Apr-2018	10	0.00	10	0.00	'00000040	
	At the end of the Year 30-Mar-2019	10	0.00	10	0.00		
7	K SURESH					IN30177414854843	AAMPS5523L
	At the beginning of the year 01-Apr-2018	50	0.00	50	0.00		
	At the end of the Year 30-Mar-2019	50	0.00	50	0.00		

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, whole time Directors and/or/Manager

Sl No	Particulars of Remuneration	Name of the MD/WTD		Total
		T Shivaraman Rs. In lacs	M Amjat Shariff Rs. In lacs	Amount Rs. In lacs
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.40	60.15	120.55
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock option	–	–	–
3	Sweat Equity	–	–	–
4	Commission	–	–	–
5	Others (Contribution to PF & Superannuation)	–	–	–
	Total (A)	60.40	60.15	120.55
	Ceiling as per the Act	286.20	286.20	–

B. Remuneration to other Directors:

Particulars of Remuneration	P D Karandikar	R Sundararajan	S Krishnamurthy	S Bapu	Chandra Ramesh	K S Sripathi
	Independent	Non Independent*	Independent	Non Independent *	Independent	Independent
– Fee for attending Board /	54,000	13,500	27,000	40,500	54,000	27,000
Committee meetings	72,000	45,000	36,000	36,000	72,000	9,000
Total	1,26,000	58,500	63,000	76,500	1,26,000	36,000
Overall Ceiling as per the Act	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee

* Non-Executive Non-Independent Director

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

	Particulars of Remuneration	Name of the KMP		
		R S Chandrasekharan	K Suresh	Total Amount
1	Gross salary	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.23	36.80	79.03
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock option	–	–	–
3	Sweat Equity	–	–	–
4	Commission	–	–	–
5	Others (Contribution to PF & Superannuation)	–	–	–
	Total (A)	42.23	36.80	79.03

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

Annexure to the Directors' Report

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

i. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2018-19, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2018-19.

Sl No	Name of Director/KMP	Designation	Remuneration (Rs.in lakhs)	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
I	Non-Executive Directors				
II	Executive Directors				
1	T Shivaraman	Managing Director & CEO	60.40	13.36	10.90%
2	M Amjat Shariff	Joint Managing Director	60.15	13.31	10.70%
III	Governed under remuneration structure				
3	R S Chandrasekharan	Chief Financial Officer	42.23	9.34	10.51%
4	K Suresh	Vice President & Company Secretary	36.80	8.14	10.92%

Note:

a) The Non-Executive Directors of the Company are entitled for sitting fee as per the statutory provisions. The details of remuneration of Non- executive Directors are provided in the Corporate Governance report.

The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the above purpose.

b) Percentage increase in remuneration indicates annual target total compensation increases, as approved by the Nomination and Remuneration Committee of the Company during the financial year 2018-19.

ii. The percentage increase in the median remuneration of Employees for the financial year was 8.85%.

iii. The Company has 416 permanent Employees on the rolls of Company as on 31st March, 2019

iv. Relationship between average increase in remuneration and Company's performance: The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. Every year, the salary increase for the Company are decided on the basis of a benchmarking exercise that is undertaken with similar profile organizations. The final salary increases given are a function of Company's market competitiveness in this comparator group as well as overall business affordability.

v. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

   In line with Company's reward philosophy, merit increases of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the Company business. The increase in the remuneration of the CFO and Vice President & Company Secretary for the year was approved by the Nomination & Remuneration Committee at their meeting held on 12th November 2018.

vi. The Market Capitalisation of the Company as on 31st March, 2019 was Rs. 762.63 crore

vii. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 9%.

viii. The key parameters for any variable component of remuneration:

   Variable compensation is an integral part of our total reward package for all Employees including Executive Directors. At the start of the year, every Employee (including Executive Directors), have the KRAs fixed and their roles assigned for the year in addition to their job fundamentals. These are drawn from the organizational strategic plan and are then reviewed for consistency and stretch. The Company's targets are a combination of goals such as Sales Growth, Operating Margin etc.

ix. The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

   Managing Director & CEO - 3 : 4

   Joint Managing Director - 3 : 4

x. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Shriram EPC FZE
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED
4	Share capital	Rs 24,25,939
5	Reserves & surplus	Rs 2,34,88,961
6	Total assets	Rs 531,98,05,161
7	Total Liabilities	Rs 526,71,51,230
8.	Investments	
9.	Turnover	Rs 502,99,45,074
10.	Profit before taxation	Rs 2,82,84,360
11.	Provision for taxation	Nil
12	Profit after taxation	Rs 1,96,62,337
13.	Proposed Dividend	---
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Haldia Coke and Chemicals Private Limited
1. Latest audited Balance Sheet Date	31.03.2019
2. Shares of Associate/Joint Ventures held by the company on the year end	22239167
Amount of Investment in Associates/ Joint Venture	Rs 4007.22 lakhs
Extent of Holding%	48.48%
3. Description of how there is significant influence	NA
4. Reason why the associate/joint venture is not consolidated	The carrying value of the investment as at 31st March 2015, after recognizing the group's share of loss in the Associate up to that date was NIL. Considering the erosion of net worth and continuing losses being incurred by it, the group's share of losses in the associate for the current year has not been recognized in these consolidated financial
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
6. Profit/Loss for the year	
i. Considered in Consolidation	NA
ii. Not Considered in Consolidation	Nil

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: - NIL

(a) Name(s) of the related party and nature of relationship:

(b) Nature of contracts/arrangements/transactions:

(c) Duration of the contracts / arrangements/transactions:

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

(e) Justification for entering into such contracts or arrangements or transactions

(f) Date(s) of approval by the Board:

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts or arrangement or transactions at arm's length basis: List enclosed

(a) Name(s) of the related party and nature of relationship:

(b) Nature of contracts/arrangements/transactions:

(c) Duration of the contracts / arrangements/transactions:

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

(e) Date(s) of approval by the Board, if any:

(f) Amount paid as advances, if any:

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

T. Shivaraman
Managing Director & CEO

Chandra Ramesh
Director

K.Suresh
Vice President & Company Secretary

R.S. Chandrasekharan
Chief Financial Officer

Annexure to AOC-2

(A) List of related parties and description of relationship as identified and certified by the Company:

Entities exercising significant influence over the Company
SVL Limited

Subsidiary
Shriram EPC FZE, Sharjah

Step Down Subsidiary
Shriram EPC Arkan LLC

Subsidiary of Entities exercising significant influence over the Company
Shriram SEPL Composites Private Limited
Bharat Coal Chemicals Limited (BCCL)

Enterprises under the joint control of the Entities exercising significant influence over the Company:
Leitwind Shriram Manufacturing Private Limited

Associates
Haldia Coke and Chemicals Private Limited
Ennore Coke Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)
Wellman Coke India Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)

Key Managerial Personnel
T.Shivaraman - Managing Director
M.Amjad Shariff - Joint Managing Director

Other enterprises under the control of the Key Managerial Personnel
Orient Green Power Company Limited
Bharath Wind Farm Limited
Clarion Windfarms Private Limited
Beta Wind Farm Private Limited
Orient Eco Energy Private Limited

Joint Operations
Larsen & Toubro Limited Shriram EPC JV
Shriram EPC Eurotech Environmental Pvt Ltd - JV
SEPC DRS ITPL JV
Mokul Shriram EPC JV

(B)	Details of transactions with related party in the ordinary course of business for the year ended:		
(i)	**Entities exercising significant influence over the Company**	**31-Mar-2019**	**31-Mar-2018**
	Transfer of Advances / Receivables (Net of Expected Credit Loss)	25,000.00	-
	Loan Received (Net)	-	2,991.68
(ii)	**Subsidiary**		
	Progressive billings/Revenue	1,352.00	3,245.39
	Management Fees	2,413.35	2,300.01
	Expenses incurred by the party	-	57.06
(iii)	**Step Down Subsidiary**		
	Management Fees	5.62	-
	Expenses incurred by the party	439.22	921.12
(iv)	**Subsidiary of Entities exercising significant influence over the Company**		
	Shriram SEPL Composites Private Limited		
	Progressive billings/Revenue	1.21	-
	Purchases of Goods and Services	256.87	512.21
	Expenses incurred and recoverable	41.21	5.76
(v)	**Enterprises under the joint control of the Entities exercising significant influence over the Company:**		
	Leitwind Shriram Manufacturing Private Limited		
	Expenses incurred and recoverable	22.31	37.31
	Purchases of Goods and Services	0.59	-
(vi)	**Associates**		
	(a) Ennore Coke Limited		
	Expenses incurred	-	11.58
	(b) Haldia Coke and Chemicals Private Limited	4,722.65	-
	Loss on transfer of advances / receivables (Refer Note 9.3)		
(vii)	**Key Managerial Personnel (KMP)**		
	Compensation of Key Managerial Personnel		
	T.Shivaraman	60.15	60.41
	M.Amjat Shariff	60.15	61.12
(viii)	**Other enterprises under the control of the Key Managerial Personnel**		
	(a) Orient Green Power Company Limited		
	Expenses incurred and recoverable	31.30	14.76
(ix)	**Joint Operations**		
	(a) Larsen & Toubro Limited Shriram EPC JV		
	Company's share in profit of Integrated Joint Ventures	259.39	1.54
	Progressive billings / Revenue	231.52	103.59

	(b) Shriram EPC Eurotech Environmental Pvt Ltd - JV		
	Progressive billings / Revenue	1,821.83	566.95
	(c) SEPC DRS ITPL JV		
	Progressive billings / Revenue	995.92	5,696.21
	(d) Mokul Shriram EPC JV		
	Progressive billings / Revenue	19,549.70	0.00
(C)	**Amount due (to)/from related party as on:**		
(i)	**Particulars**	**31-03-2019**	**31-03-2018**
	Advances / (Borrowings):		
	SVL Limited	3,936.03	(1,482.57)
	Leitwind Shriram Manufacturing Private Limited (Net of Provision for Expected Credit Loss of ₹ 9,141.70 Lakhs (March 31, 2018: ₹ 9,291.35 Lakhs)	3,815.40	3,984.49
	Haldia Cokes & Chemicals Private Limited (Net of Provision for Expected Credit Loss of ₹ 0 (March 31, 2018: ₹ 30,925.88 Lakhs)	-	17,907.12
	Ennore Coke Limited (Net of Provision for Expected Credit Loss of ₹ 0 Lakhs (March 31, 2018: ₹ 18,439.44 Lakhs)	-	10,735.21
	Bharat Wind Farm Limited	5.76	26.12
	Orient Green Power Company Limited	-	20.42
	Receivables / (Payables):		
	Leitwind Shriram Manufacturing Private Limited	4,134.15	3,984.49
	Shriram EPC FZE, Sharjah	(1,029.50)	1,386.55
	Shriram EPC Arkan LLC	1,272.14	899.98
	Orient Green Power Company Limited	25.15	53.08
	Shriram EPC Eurotech Environmental Pvt Ltd - JV	(163.62)	(412.53)
	SEPC DRS ITPL JV	627.34	397.17
	Larsen & Toubro Limited Shriram EPC JV	112.89	16.26
	Haldia Coke and Chemicals Private Limited	-	16.92
	Ennore Coke Limited	-	33.10
	Beta Wind Farm Private Limited	1,381.84	1,403.40
	Wellman Coke India Limited	-	78.90
	Shriram SEPL Composites Private Limited	611.81	604.32
	Mokul Shriram EPC JV	1,998.00	-
(ii)	**Corporate Guarantees given by the Company**		
	Orient Green Power Company Limited	-	1,600.00

CORPORATE GOVERNANCE REPORT

1. Company's practice on Corporate Governance

The Company has consistently aimed at developing a formalised system of Corporate Governance. We believe that it is imperative and non-negotiable for a world class Company to adopt transparent accounting policies, appropriate disclosure norms, best-in-class board practices and consistent high standards of corporate conduct towards its stakeholders.

The Company adopts practices mandated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 under Corporate Governance and by establishing procedures and systems to be fully compliant with it. Periodic review of the procedures and systems are done in order to ensure continued relevance, effectiveness and responsiveness to the needs of the Shareholders.

The Company discloses information regarding its financial position, performance and other vital matters with transparency, fairness and accountability on timely basis and the Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to the Corporate Governance, applicable for the financial year 2018-19.

BOARD OF DIRECTORS

Composition of Board

Presently the Board comprises of eight directors of which Managing Director & CEO and Joint Managing Director are the Two Executive Directors. Out of the Six Non-Executive Directors, three (3) including one-woman director are independent Directors and three (3) non independent director. The Board has the right mix of Executive, Independent directors. The composition of the Board is in conformity with Regulation 17 (1) of the regulations.

The Company has an appropriate size of the Board for strategic discussion and avails benefit of diverse experience and viewpoints.

All directors are individuals of integrity and courage, with relevant skills and experience to bring judgment to bear on the business of the Company. Details of the composition of the Board of Directors are given in Table 1.

Information provided to the Board

Among others, information supplied to the Board includes:

a) Annual operating plans of businesses and budgets and any updates thereof;

b) Capital budgets and any updates thereof;

c) Quarterly results for the Company and business segments;

d) Minutes of the meetings of the Audit Committee, other Committees of the Board and minutes of meetings of Subsidiary Companies;

e) The information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary;

f) Show cause, demand, prosecution notices and penalty notices, which are materially important;

g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;

h) Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;

i) Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;

j) Making of loans and investment of surplus funds;

k) General notices of interests of Directors;

l) Constitution/Reconstitution of Board Committees;

m) Appointment, remuneration and resignation of Directors;

n) Dividend declaration;

o) Significant changes in accounting policies and internal controls;

p) Details of any joint venture or collaboration agreements;

q) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;

r) Significant labour problems and their proposed solutions, any significant development on human resources, industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.;

s) Sale of material nature of investments, subsidiaries, assets which are not in the normal course of business;

t) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;

u) Non-compliance of any regulatory, statutory nature or listing regulations and shareholders' service, such as non-payment of dividend, delay in share transfer, if any, and others;

v) Declaration of Independent Directors at the time of appointment / annual declaration;

w) Takeover of a Company or acquisition of a controlling of a substantial stake in another Company;

x) Appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee;

y) Annual financial results of the Company, Auditors' Report and the Report of the Board of Directors;

z) Compliance Certificates for all the laws as applicable to the Company; and

aa) CSR activities carried out by the Company and expenditure made thereon.

The Board of Directors of the Company is presented with detailed notes, along with the agenda papers, well in advance of the meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with the specific reference to its effect in the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

INDEPENDENT DIRECTORS

As mandated by Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Independent Directors on the Board:

a) are person of integrity and possesses relevant expertise and experience;

b) (i) are not a promoter of the Company or its holding, subsidiary or associate Company;

(ii) are not related to promoters or directors in the Company, its holding, subsidiary or associate Company;

c) apart from receiving director's remuneration, has or had no material pecuniary relationship with the Company, its holding, subsidiary or associate Company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;

d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company or their promoters or directors, amounting to 2% (Two per cent) or more of its gross turnover or total income or ` 50,00,000/- (Rupees Fifty Lakhs only) or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e) who, neither himself/herself, nor any of his/her relatives:

(i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he/she is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he/she is proposed to be appointed, of:

- a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
- any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to 10% (Ten percent) or more of the gross turnover of such firm;

(iii) holds together with his/her relatives 2 (Two percent) or more of the total voting power of the Company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organisation that receives 25% (Twenty-five percent) or more of its receipts or corpus from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds 2% (Two percent) or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company.

f) are not less than 21 (Twenty-one) years of age.

g) who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director;

The Management hereby confirms that in the opinion of the Board all the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.management.

Familiarization Program of Independent Directors

The Independent directors of SEPC are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website www.shriramepc.com to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. During the last financial year, we had one such programme on 3rd August 2019. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors.

Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the guidelines received and adopted by the Company. Code of Conduct for Prevention of Insider Trading for prevention of insider trading is in place. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Designated persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. All the designated employees are also required to disclose related information periodically as defined in the Code. Directors and designated employees who buy and sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares of the Company during the next six months following the prior transactions. Directors and designated employees are also prohibited from taking positions in the derivatives segment of the Company shares. The aforesaid Code is amended from time to time as per latest regulations and is available at the website of the Company in http://www.shriramepc.com/pdf/Fair-Codes-for-Insider-Trading-Feb-2019.pdf.

Whistle Blower

Your Company has established a mechanism called 'Whistle Blower' for directors and employees to report to the appropriate authorities of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the `Whistle Blower Policy' uploaded at the website of the Company. The aforesaid Policy is amended from time to time as per latest regulations and is available at the website of the Company in http://www.shriramepc.com/pdf/WHISTLE-BLOWER-AND-VIGIL-MECHANISM-NEW.pdf

Performance evaluation of Independent Directors:

The Nomination and Remuneration Committee evaluates the performance of Independent Directors based on their commitment towards attending the meetings of the Board/Committees, contribution and attention to the affairs of the Company and their overall performance apart from sitting fees paid for each Board and committee meetings attended by them. The evaluation mechanism of Independent Directors is detailed in Directors Report.

Evaluation Process

In conformity with the requirement of the Act, the performance evaluation of all the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated. Independent Directors are required to evaluate the performance of non – Independent Directors and Board as a whole. The Independent Directors of the Company shall hold at least one meeting in a year to exercise the functions as mentioned in Act.

To enable directors to evaluate their individual performance as well as the collective performance of the Board and Chairperson, the Company has developed a framework for evaluating Board's effectiveness, directors' and Chairperson's performance.

CRITERIA

A. Board

1. The Board Meetings are conducted with sufficient focus on important matters and views of all directors are considered before taking a decision
2. The Board composition has the right mix of knowledge and skills required to drive organizational performance
3. Meetings are scheduled with adequate notice and are conducted as per defined schedules
4. The Board meetings are adequate and directors are provided opportunity to suggest agenda items for the Board/Committees, allowing appropriate time for critical issues
5. The Board prioritizes organizational needs
6. The Board provides feedback to management
7. The Board members are aware of their Roles, duties, responsibilities, liabilities and powers
8. The Board materials sufficiently covers the

subject and are sent adequately in advance to allow Board to understand the information

9. The Board is effective in establishing a corporate governance that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
10. The internal control systems are effective for identifying material risks and reporting material violations of policies
11. The Board has the desired diversity in terms of expertise and knowledge, gender etc. to discharge its responsibilities
12. The minutes adequately captures the Board deliberations and directions and are circulated to the directors well in advance for their review
13. The management periodically updates the Board on the action taken on the directions given by the Board.

(D) Other provisions as to Board and Committees

The Board comprises of Mr. P D Karandikar, as Non-Executive Independent Chairman, Mr. T Shivaraman as Managing Director & CEO, Mr. Amjat Shariff, Joint Managing Director, Mr. R Sundararajan, Mr. S Bapu, Mr. Surender Singh (Nominee Director of Oriental Bank of Commerce) and Mrs. Chandra Ramesh as Non-Executive Directors. Mr. K.S. Sripathi had been appointed as additional Director (Independent) on 11th September 2018.

During the year 2018-19, 4(Four) meetings of the Board of Directors were held on 07th June 2018, 10th August 2018, 12th November 2018 and 7th February 2019. The maximum time gap between any two consecutive meetings did not exceed 120 days.

BOARD MEETING ATTENDANCE

Members	No. of Meetings held	No. of Meetings Attended
Mr. P D Karandikar– Chairman	4	4
Mr. T Shivaraman – Managing Director & CEO	4	4
Mr. M Amjat Shariff – Joint Managing Director	4	4
Mr.S Bapu – Member	4	3
Ms.Chandra Ramesh – Member	4	4
Mr. S Krishnamurthy– Member **	4	1
Mr. R Sundararajan – Member	4	--
Mr. K S Sripathi – Member***	4	2

None of the Directors on the Board are Members of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31 March, 2019 have been made by the Directors as per LODR Regulations, 2015 .

Details of their Directorships and Chairmanship/Membership of Board Committees of the companies showing the position as on 31 March, 2019 are given below::

Name of Director	Position	Relationship with other Directors	Directorships held as on March 31, 2019 in other Indian Public Limited Companies*	**Member in Committees -Position held in other Indian Public Limited Companies		Whether present at the last AGM
				Member	Chairman	
Mr. P D Karandikar	Non – Executive Independent Chairman	None	3	4	1	YES
Mr. T. Shivaraman	Executive Managing Director& CEO	None	2	1	--	YES
Mr. M Amjat Shariff	Executive Joint Managing Director	None	--	--	--	YES
Mr. R. Sundararajan	Non – Executive Non-Independent Director	None	6	3	2	YES
Mr. S Bapu	Non – Executive Non-Independent Director	None	--	--	--	YES
Ms. Chandra Ramesh	Non – Executive Independent Director	None	2	--	--	NO
Mr. Surender Singh	Non – Executive Nominee Director -OBC	None	--	--	--	NO
Mr. K S Sripathi***	Non – Executive Independent Director	None	1	1	--	NO
Mr. S. Krishnamurthy****	Non – Executive Independent Director	**Resigned w.e.f. 12-06-2018**				NO

*Includes Directorship in the Companies incorporated under the Companies Act, 1956 /2013.
**Only membership in Audit Committee and Share Transfer and Investors' Grievance Committee are considered.
*** Appointed as an Additional Director 11th September 2018
****Mr. S Krishnamurthy – Independent Director resigned w.e.f. 12-06-2018

Other Directorships do not include alternate directorships, directorships of private limited companies, Section 8 of Companies Act, 2013 / Section 25 of the Companies Act, 1956 and of companies incorporated outside India. Chairmanships/ Memberships of Board Committees include only Audit, Stakeholders Relationship and Nomination and Remuneration Committees of public limited companies.

List of other Listed Public Companies

Name of Director	Corporate Identity Number	Names of Other Listed Entities	Nature of Directorship
Mr. P D Karandikar	L40108PN1981PLC024153	Finolex Industries Limited	Director
	L65991MH1994PLC079874	Shriram Asset Management Company Limited	Director
Mr. T. Shivaraman	L40108TN2006PLC061665	Orient Green Power Company Limited	Director
Mr. M Amjat Shariff	--		
Mr. R. Sundararajan	L40108TN2006PLC061665	Orient Green Power Company Limited	Director
	L63090TN2000PLC046338	Take Solutions Limited	Director
	L65991MH1994PLC079874	Shriram Asset Management Company Limited	Director
Mr. S Bapu	--		
Ms. Chandra Ramesh	L40108TN2006PLC061665	Orient Green Power Company Limited	Director
Mr. Surender Singh	--		
Mr. K S Sripathi	L72200MH1986PLC039341	Trigyn Technologies Limited	Director

The Company has received declarations of independence as prescribed under Section 149(6) & (7) of the Companies Act, 2013 from Independent Directors. All requisite declarations have been placed before the Board.

No Director of the Company is related to any other Director of the Company.

Code of Conduct

The Company has adopted a Code of Conduct (“the Code”) for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company’s website at the link:www.shriramepc.com.

The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report.

3. Board Committees

3.1 Audit Committee

(A) Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under the listing regulation 18 of the Regulations read with Part C of Schedule II of the Regulations. pertaining to the Audit Committee. Its functioning is as under:

(i) The Audit Committee presently consists of the Four Non-Executive Directors, out of which three are Independent Directors;

(ii) All members of the Committee are financially literate and having the requisite financial management expertise;

(iii) The Chairman of the Audit Committee is an Independent Director;

(iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 3rd August, 2018.

(B) Terms of reference

The terms of reference of the Audit Committee include inter-alia:

A. The regulations governing the committee are:

1. The audit committee shall have minimum three directors as members. Two-thirds of the members of audit committee shall be independent directors.
2. All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.
3. The Chairman of the Audit Committee shall be an independent director;
4. The Chairman of the Audit Committee shall be present at Annual General Meeting to answer shareholder queries;
5. The Audit Committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the company. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee;
6. The Company Secretary shall act as the secretary to the committee.

B. Meeting of Audit Committee

The Audit Committee should meet at least four times in a year and not more than 120 days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there should be a minimum of two independent members present.

C. Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

D. The role of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   - Changes, if any, in accounting policies and practices and reasons for the same
   - Major accounting entries involving estimates based on the exercise of judgment by management
   - Significant adjustments made in the financial statements arising out of audit findings
   - Compliance with listing and other legal requirements relating to financial statements
   - Disclosure of any related party transactions
   - Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Risk Management- To evaluate the Risk Management System including Risk Policy, Risk Process (Risk Identification, Assessment, Mitigation and Monitoring) and Risk Registers, laid down by the management;

19. To review the functioning of the Whistle Blower mechanism;

20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

22. Reviewing the utilisation of the loans and advances from/investment by the holding company in the subsidiary exceeding Rs 100 Crores or 10% of the asset size of the subsidiary whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision

Composition, names of Members and Chairperson, its meetings and attendance:

The composition of the Committee is Mr. P D Karandikar, Chairman Mr. K S Sripathi, Mr. S Bapu, and Ms. Chandra Ramesh as members of the Committee.

During the year, 4 Audit Committee meetings were held on 07th June 2018,10th August 2018, 12th November 2018 and 07th February 2019.

The composition of the Audit Committee, which has been reconstituted during the year and number of meetings attended by the Members during the year are given below:

Members	No. of Meetings held	No. of Meetings Attended
Mr. P D Karandikar – Chairman	4	4
Mr. S Bapu – Member	4	3
Ms. Chandra Ramesh – Member	4	4
Mr. S Krishnamurthy – Member **	4	1
Mr. R Sundararajan – Member***	4	--
Mr. K S Sripathi – Member****	4	1

Mr. K Suresh, Company Secretary is the Secretary of the Audit Committee.

** Mr. S Krishnamurthy resigned from the Committee on 12th June, 2018 Consequent on his resignation from the Company.

*** Mr. R Sundararajan stepped down from the Audit Committee on 04th May 2018.

**** Mr. K S Sripathi appointed as an Audit Committee member on 12th November 2018.

Nomination and Remuneration Committee

(A) Constitution

The Nomination and Remuneration Committee has been reconstituted during the year and comprises of Ms. Chandra Ramesh – Chairman, Mr. R Sundararajan, Mr. P D Karandikar and Mr. K S Sripathi, as members of the Committee.

(B) Terms of reference

Terms of reference of the Nomination and Remuneration Committee include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Formulation of criteria for evaluation of Independent Directors and the Board;

3. Devising a policy on Board diversity; and

5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of report of performance evaluation of independent directors

6. recommend to the board, all remuneration, in whatever form payable to senior management.

Terms of reference also includes identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Meetings and attendance during the year:

During the year, three meetings of Nomination and Remuneration Committee were held on 07th June 2018,05th September 2018 and 12th November 2018.

The composition of the Nomination and Remuneration Committee and number of meetings attended by the Members during the year are given below:

Members	No. of Meetings held	No. of Meetings Attended
Ms. Chandra Ramesh – Chairman	3	3
Mr. R Sundararajan – Member	3	2
Mr. S Krishnamurthy – Member - resigned from the Board on 12.06.2018	3	1
Mr. P D Karandikar – Member – Joined the Committee from 10.08.2018	3	1
Mr. K S Sripathi - Member – Joined the Committee from 12.11.2018	3	1

(D) Remuneration policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

(E) Remuneration to Managing Director & CEO and Joint Managing Director

MD & CEO SALARY

Details of Remuneration to MD & CEO	Amount (Rs / Lakh)
Salary	60.40
Allowances and Perquisites	-
Number of Shares held	286685

JMD SALARY

(b) Mr. M Amjat Shariff is the Joint Managing Director (JMD) of the Company. The salary, benefits and perquisites paid to Mr. M Amjat Shariff during the year 2018-19 is as follows:

Details of Remuneration to JMD	Amount (Rs / Lakh)
Salary	60.15
Allowances and Perquisites	-
Number of Shares held	282984

PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, is follows: -

(a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Non-Executive Directors	Ratio to Median Remuneration
Mr. P D Karandikar	0.30
Mr. R Sundararajan	0.14
Mr. S Krishnamurthy	0.09
Mr. S Bapu	0.17
Ms. Chandra Ramesh	0.36
Mr. Surender Singh	--
Mr. K S Sripathi	0.08
Executive Directors	
Mr.T Shivaraman	13.36
Mr. Amjat Shariff	13.31

(b) the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of person	% increase to remuneration
Mr. P D Karandikar	NIL
Mr. R Sundararajan	NIL
Mr. S Krishnamurthy	NIL
Mr. S Bapu	NIL
Ms. Chandra Ramesh	NIL
Mr. Surender Singh	NIL
Mr. K S Sripathi	NIL
Mr.T Shivaraman, MD & CEO	13.36
Mr. Amjat Shariff, JMD	13.31
Mr. R Chandrasekharan, CFO	9.34
Mr. K Suresh, VP & Company Secretary	8.14

(c) the percentage increase in the median remuneration of employees in the financial year was 8.85%(Median remuneration 2017-18 Rs. 415380 compared to Rs.452133 for 2018-19.

(d) the number of permanent employees on the rolls of company: 416

(e) the explanation on the relationship between average increase in remuneration and company performance;

The remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay is linked to organization performance.

(f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Particulars	Rs/lac
Remuneration of Key Managerial Personnel (KMP) during financial year 2018-19 (aggregated)	199.59
Revenue from operations	74,065.70
Remuneration (as % of revenue)	0.003%
Profit before tax (PBT)	3,321.95
Remuneration (as % of PBT)	0.07%

Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company

Particulars	Managing Director & CEO	Joint Managing Director	Chief Financial Officer	Company Secretary
	Rs. in lac	Rs. in lac	Rs. in lac	Rs. in lac
Remuneration	60.40	60.15	42.23	36.80
Revenue	74,065.70	74,065.70	74,065.70	74,065.70
Remuneration (as % of revenue)	0.0008%	0.0008%	0.0006%	0.0005%
Profits before tax (PBT)	3,321.93	3,321.93	3,321.93	3,321.93
Remuneration (as % of PBT)	0.02%	0.02%	0.01%	0.01%

(F) Remuneration to Non-Executive Directors

Remuneration by way of Sitting Fees is paid to Directors at Rs.15, 000/- for attending each Meeting of the Board and Rs. 10,000/- for attending each Committee Meetings i.e. for Audit Committee, Stake holders relationship committee meeting, Nomination & Remuneration Committee, Borrowing Committee and Investment Committee meetings.

Payment of sitting fee to the Non-Executive Directors for the year ended 31 March, 2019 as under:

Names of Directors	Board meeting (net of TDS) Rs	Audit Committee meeting (net of TDS) Rs	Stakeholders relationship committee (net of TDS) Rs	Nomination & remuneration Committee meeting (net of TDS)Rs	Borrowing committee (net of TDS) Rs
P D Karandikar	54000	36000	36000	---	---
R Sundararajan	13500	9000	18000	18000	---
S Krishnamurthy (Resigned w.e.f. 12th June 2018)	27000	9000	---	9000	18000
S Bapu	40500	27000	---	---	9000
Chandra Ramesh	54000	27000	9000	27000	9000
Surender Singh	---	---	---	---	---
K S Sripathi	27000	9000	---	---	---

Notes:

(i) The Non-Executive Directors have disclosed separately the shares held by them in the Company.

(ii) There has been no pecuniary relationship or transactions other than above of the Non-Executive Directors vis-à-vis the Company during the year under review.

3.3 Stakeholders Relationship Committee

(A) Composition, Members, its meetings and attendance

Stakeholders Relationship Committee comprises of Mr. R Sundararajan as Chairman with Mr. P D Karandikar and Ms. Chandra Ramesh as members of the Committee.

The Committee is set up to monitor the process of share transfer, issue of fresh Share Certificates as well as review of Redressal of investors/shareholders grievances. The Committee would also recommend measures for overall improvement of the quality of Investor services.

During the year, 4 meetings of the Stakeholders Relationship Committee were held on 07th June 2018, 10th August 2018, 12th November 2018 and 07th February 2019.

The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are given below:

Members	No. of Meetings held	No. of Meetings Attended
Mr. R Sundararajan– Chairman	4	2
Mr. P D Karandikar- Member	4	4
Ms. Chandra Ramesh- Member	4	4

(B) Name and Designation of the Compliance Officer

Mr K Suresh, Company Secretary has been designated as Compliance Officer of the Company in line with the requirement of Listing Agreement with the Stock Exchanges and can be contacted at:

Shriram EPC Ltd
4th Floor, Sigappi Achi Building,
Door no.18/3, Rukmini Lakshmipathisalai
(Marshalls Road)
Egmore, Chennai- 600 008. India

Tel: (91 44) 4901 5678
Fax: (91 44) 4901 5655
Email: suresh@shriramepc.com
Website: www.shriramepc.com

In addition to the above e-mail of the Compliance Officer, the Investors/Shareholders can also lodge their complaints, if any, at info@shriramepc.com. A link has been provided to the Shareholders to register their grievances to company's website www.shriramepc.com.

(C) Complaints received and redressed during the year 2018-19

Opening Balance	Received during the year 2018-19	Resolved during the year 2018-19	Closing Balance
0	0	0	0

PPursuant to Regulation 40(9 & (10) of the regulations, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

3.4 Independent Directors Meeting

Independent Directors are regularly updated on performance of each line of business of the Company, strategy going forward and new initiatives being taken/ proposed to be taken by the Company. The Independent Directors Mr. P D Karandikar, Mr. K S Sripathi and Ms. Chandra Ramesh met on 7th February 2019 without any Senior Management Personnel.

4. Subsidiary Company

(i) The Company does not have any Indian Subsidiary Company.

(ii) The financial statements of the unlisted foreign Subsidiary Company is being placed before the Board.

5. Disclosures

(A) Basis of related party transactions

(i) The statements containing the transactions with related parties were submitted periodically to the Audit Committee.

(ii) There are no related party transactions that may have potential conflict with the interest of the Company at large.

(iii) There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.

(iv) There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

(B) Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules,2014 and the relevant provisions of the Companies Act, 2013("the 2013 Act")/ CompaniesAct,1956("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(C) Board Disclosures - Risk Management

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

(D) Proceeds from public issues, right issues, preferential issues etc.

NIL

(E) Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not applicable. The businesses of the Company are exposed to fluctuations in foreign exchange rates and commodity prices. Additionally, it has exposures to foreign currency denominated financial assets and liabilities. The business-related financial risks, especially involving commodity prices, by and large, are managed contractually through price variation clauses, while the foreign exchange rate risks are managed by treasury products.

Financial Risk Management is governed by the Risk Management framework and policy approved by the Audit Committee and authorised by the Board. Financial risks in each business portfolio are measured and managed by Corporate Finance Team

(F) Secretarial Audit Report

The Company has obtained Secretarial Audit Report on quarterly/Annual basis from the Company Secretary in practice for compliance with Section 204(1) of the Companies Act, 2013, LODR Regulations, 2015, SEBI

Regulations on Takeover, Insider Trading and Depositories & Participants. A text of the Secretarial Audit Report is annexed.

Secretarial Standards

The Company during the year under review has undertaken the audit for compliance of Secretarial Standards and procedures followed by the Company in compliance with Secretarial Standards on Annual General meeting and Board Meeting issued by Institute of Company Secretaries of India. The Secretarial Standards Report is published elsewhere forming a part of this Report.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2018-19 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

(G) Management Discussion and Analysis Report

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

(H) Shareholders

(i) The quarterly results and presentations made by the Company to analysts are put on the Company's websitewww.shriramepc.com under the Disclosure Requirements Section.

(ii) The Company has also sent Annual Report through email to those Shareholders who have registered their email ids with Depositary Participant.

(iii) As per Section 152 (6) of the Companies Act, 2013, out of the total number of Directors, 2/3rd of the Directors are liable to retire by rotation. Independent Directors are not liable to retire by rotation. Out of the Non-Independent Directors who are liable to retire by rotation, 1/3rd shall retire at every Annual General Meeting. Accordingly, Mr. R Sundararajan, Director (DIN: 00498404) and Mr. M Amjat Shariff (DIN:00009562) will retire by rotation at the ensuing Annual General Meeting. A brief profile is published elsewhere in the Annual Report.

6. CEO and CFO Certification

The Managing Director & CEO and CFO of the Company give quarterly/annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations.

7. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer. Pursuant to Schedule V of the LODR Regulations, 2015, the Practising Company Secretary's Certificate in compliance on conditions of Corporate Governance is annexed to this Report.

8. General Body Meetings

(A) Location and time of General Meetings held in the last 3 years::

Year	Date	Time	Venue
2015-16	15.09.2016	10.20 AM	SRI KRISHNA GANA SABHA, DR. NALLI GANA VIHAR, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017
2016-17	24.08.2017	03.05 PM	SRI KRISHNA GANA SABHA, DR. NALLI GANA VIHAR, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017
2017-18	03.08.2018	03.00 PM	SRI KRISHNA GANA SABHA, DR. NALLI GANA VIHAR, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017

(B) Special Resolution passed through postal Ballot- Deemed General Meetings:

Year	Date of meeting	Section	Particulars
2016-17	26-8-2016	62,42	Preferential issue to the CDR lenders in lieu of the Working Capital Term Loan(WCTL)
		42,62(1)(c)	Preferential issue to the promoters for the capital infusion upto Rs. 265 crs
		Section 61 and clause V	Increase of Authorised Capital and alteration of Memorandum of Association
	24-2-2017	62,42	Preferential issue to the CDR lenders in lieu of the Working Capital Term Loan(WCTL) based on final reconciliation
		62(1)(c)	Preferential issue to KPR Investments P Ltd upto 35 crs
		Section 61	Increase of Authorised Capital
		Section 13 & Clause V	Alteration of Memorandum of Association
2017-18	04-05-2017	Section 62(1)(c)	Issue of equity shares on in terms of ICDR Regulations on conversion of the Working Capital Term Loan (WCTL) to CDR Lenders based on the final reconciliation
		Section 62	Issue of equity shares on preferential basis to KPR Investments Pvt Ltd.
		Section 13, Section 61	Increase of the Authorised Share Capital of the Company and approval for alteration the Memorandum of Association of the Company
		Section 14	Amendment of Articles of Association by insertion of new Articles
	06-10-2017		Disclosure of the correct name of the Allottee, Shares allotted to the allottees and Pre & Post Shareholding of the Allottee and the Company with respect to Item No.1 of the earlier Postal Ballot Notice dated 01st April 2017 pertaining to Preferential Issue to CDR Lenders
		Section 186	To increase the limit of guarantees, loans and advances / investments
2018-19	12-11-2018	Regulation 17(1A) of the Securities and Exchange Board of India (LODR) Regulations, 2015	Ratification of the appointment of Mr. S Bapu – Director
		Section 14	Approval for Alteration of Articles of Association

9. Means of Communication

The Company's website is a comprehensive reference on the management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, updates and news. The section on Investors serves to inform the shareholders, by giving complete financial details, Shareholding Patterns, to comply with MCA Guidelines. The website covers all major press reports, releases, etc.

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, press releases, Analysts Call after the Board Meeting and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

Quarterly report sent to each household of Shareholders	The results of the Company are published in the newspapers
Quarterly results and in which newspaper normally published in.	Results are published in Business Line The Financial Express (all editions) and in Maalai Thamizhagam (Tamil - Chennai edition)
Any website where displayed	Yes, the results are displayed on the Company's website www.shriramepc.com
Whether it also displays official news releases	Yes
Whether the website displays the presentation made to the institutional investors and to the analysts	Yes

10. General Shareholder Information

Annual General Meeting:

(i) Date, time and Venue: Wednesday, 18th September, 2019 at 10.00 AM.

KAMAKOTI HALL, SRI KRISHNA GANA SABHA, DR. NALLI GANA VIHAR, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017

(ii) Financial Year: 01st April, 2018 to 31st March, 2019

(iii) Date of Book Closure: 09th September 2019 to 18th September 2019 (both days inclusive)

11. Listing

a) The Stock Exchanges on which the Company's shares are listed:

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Phones : 91-22-22721233/4, 91-22-66545695 (Hunting)
Fax : 91-22-22721919
CIN: L67120MH2005PLC155188
Email: corp.comm@bseindia.com

National Stock Exchange of India Limited

National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051
Tel No: (022) 26598100 - 8114
Fax No: (022) 26598120

b) Stock Code

BSE Limited:532945

National Stock Exchange of India Limited: SHRIRAMEPC

The ISIN of the Company for its shares: ISIN INE-964H01014

The Company confirm having paid the annual listing fees to both the stock exchanges, respectively.

c) Market Price Information

The reported high and low closing prices during the year ended 31 March, 2019 on the National Stock Exchange and the BSE, where your Company's shares are frequently traded vis-à-vis the Share Index, are given below:

BSE PRICE (Rs.)			NSE PRICE (Rs.)	
Month	**High**	**Low**	**High**	**Low**
Apr-18	29.05	25.20	29.00	25.00
May-18	28.00	16.50	27.45	16.60
Jun-18	20.80	14.00	21.00	13.70
Jul-18	16.71	12.15	16.80	12.10
Aug-18	19.45	14.00	19.00	15.25
Sep-18	16.55	10.10	16.65	10.40
Oct-18	13.00	9.50	12.20	10.00
Nov-18	12.94	11.14	12.90	11.30
Dec-18	13.75	10.10	13.75	11.00
Jan-19	12.68	9.74	12.40	9.65
Feb-19	10.20	6.67	10.20	7.05
Mar-19	11.75	7.89	11.80	7.85

d) Registrars and Share Transfer Agents

The Members are requested to correspond to the Company's Registrars & Share Transfer Agents –Cameo Corporate Services Limited
Subramanian Building, V Floor
No. 1, Club House Road
Chennai 600 002
India
Tel: (91 44) 2846 0390
Fax: (91 44) 2846 0129
Email: shriramepc@cameoindia.com
Website: www.cameoindia.com
Contact Person: Mr. R.D. Ramasamy
SEBI Registration Number: INR000003753

The Company has appointed M/s. Cameo Corporate Services Limited as the External RTA to handle all Share Transfers. Transfer Requests received by the RTA will be processed and the Memorandum of Transfers prepared by RTA will get approved by the Stakeholder Relationship Committee of the Company.

12. Shareholding as on 31 March, 2019

a) DISTRIBUTION OF HOLDINGS - NSDL & CDSL & PHYSICAL RECORD DATE : 31-Mar-2019

Share or Debenture holding (Rs.)		No. of holders	% of Total holders	Total Amount (Rs.)	% of Total Amount
10	5000	14730	72.02	24371060	0.25
5001	10000	2549	12.46	22163820	0.22
10001	20000	1379	6.74	21916510	0.23
20001	30000	547	2.67	14251510	0.15
30001	40000	257	1.26	9439770	0.10
40001	50000	282	1.38	13622070	0.14
50001	100000	402	1.97	29713030	0.31
100001	And Above	306	1.50	9579812410	98.60
	Total	**20452**	**100.00**	**9715290180**	**100.00**

b) Shareholding pattern as on 31 March, 2019

CATEGORY	NO.OF HOLDERS	TOTAL SHARES	% TO EQUITY
Promoter	1	279391356	28.76
Director & Relatives	6	579469	0.06
Resident	20914	34471220	3.55
FI	1	317646	0.03
NRI	178	510518	0.05
Corporate Body	274	5254043	0.54
Clearing Member	31	68103	0.01
Bank	20	650280587	66.93
FPI	9	450186	0.05
IEPF	1	2194	0.00
Employees	50	203696	0.02
TOTAL	21485	971529018	100.00

(c) Capital of the Company

The authorized and paid-up capital of your Company is Rs.1050 crs and Rs.971.53 crores respectively.

(d) Top ten Shareholders as on 31 March, 2019

SLNO	DPID	CLID	NAME	SHARES	PERCENTAGE
1	IN300020	11730413	SVL LIMITED	279391356	28.76
2	IN303786	10000023	STATE BANK OF INDIA	125634843	12.93
3	IN300812	10491515	CENTRAL BANK OF INDIA	93570276	9.63
4	IN300812	10491105	ORIENTAL BANK OF COMMERCE	69063261	7.11
5	IN300812	10495586	IDBI BANK LTD.	57631183	5.93
6	IN300812	10501028	PUNJAB NATIONAL BANK	55282938	5.69
7	IN300095	11274987	THE SOUTH INDIAN BANK LTD	39805326	4.10
8	IN300484	10820757	AXIS BANK LIMITED	35673458	3.67
9	IN300749	10000012	BANK OF INDIA	27857738	2.87
10	IN300386	10000287	BANK OF MAHARASHTRA	24398370	2.51

e) Dematerialisation of Shares and liquidity

SHAREHOLDING SUMMARY AS ON 31-Mar-2019

CATEGORY	NO.OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	127	1561	0.00
NSDL	11685	907711182	93.43
CDSL	9673	63816275	6.57
TOTAL	21485	971529018	100.00

The Company's shares can be traded only in dematerialised form as per SEBI notification. The Company has entered into an Agreement with NSDL and CDSL whereby shareholders have the option to dematerialise their shares with either of the depositories. Equity shares are traded in BSE and NSE.

13. Plant locations

The Company is not a manufacturing unit and thus not having any manufacturing Plant.

14. Address for correspondence

The Company Secretary
Shriram EPC Ltd
4th Floor, Sigappi Achi Building,
Door no.18/3, Rukmini Lakshmipathi Salai (Marshalls Road)
Egmore, Chennai- 600 008, India
Tel: (91 44) 4901 5678
Fax: (91 44) 4901 5655
Email: suresh@shriramepc.com
Website: www.shriramepc.com

15. Electronic Clearing Service (ECS)

The Company is availing of the ECS facility to distribute dividend in main cities to those Members who have opted for it.

16. Reconciliation of Share Capital

As stipulated by SEBI, a qualified Practising Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India)Limited (CDSL) and Stock Exchanges.

17. Details of mandatory requirement of SEBI (LODR) Regulations, 2015

I. Disclosure on website in terms of Listing Regulations	
Item	**Compliance status(Yes/No/NA)**
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining' material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance Redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

II Annual Affirmations		
Particulars	**Regulation Number**	**Compliance status(Yes/No/NA)**
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or' eligibility'	16(1)(b)&25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration committee	19(1)&(2)	Yes
Composition of Stakeholder Relationship Committee	20(1)&(2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(5),(6),(7)&(8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2),(3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5)&(6)	Not Applicable
Maximum Directorship &Tenure	25(1)&(2)	Yes
Meeting of independent directors	25(3)&(4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	*26(4)*	Yes
Policy with respect to obligations of directors and senior management	*26(2)&26(5)*	Yes

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identification No : L74210TN2000PLC045167

To,

The Members

SHRIRAM EPC LIMITED
Sigappi Achi Building, 4th Floor,
No.18/3 Rukmini Lakshmipathi Road, Egmore
Chennai – 600008.

We have examined all relevant records of Shriram EPC Limited, having its Registered Office at Sigappi Achi Building, 4th Floor, No.18/3 Rukmini Lakshmipathi Road, Egmore, Chennai – 600008, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2019. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has generally complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2019.

For R.Sridharan & Associates
Company Secretaries

CS R. Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400

Chennai
27th May, 2019

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company – www.shriramepc.com.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended 31 March, 2019.

Chennai
27th May, 2019

T SHIVARAMAN
Managing Director & CEO

Secretarial Audit Report for the Financial year ended 31st March, 2019

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended]

To,

The Members,
Shriram EPC Limited
Sigapi Achi Building, 4th Floor
18/3 Rukmini Lakshmipathi Road,
Egmore
Chennai – 600 008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHRIRAM EPC LIMITED [Corporate Identification Number: L74210TN2000PLC045167] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBIAct'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) During the year under review, the Company has not issued any new securities mandating compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) During the period under review, the Company has not allotted any shares to its employees under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   e) During the period under review, the Company has neither issued any debentures nor has any outstanding debentures to be redeemed and hence the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) During the year under review, the Company has not delisted its Securities from any of the Stock Exchanges in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable; and

   h) The Company has not bought back any shares during the period under review and hence the provisions of compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable;& Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 is not applicable;

(v) As per the representation made by the Company, no law was applicable specifically to the Company.

We further report that compliance of applicable financial laws including direct and indirect tax laws by the company has not been reviewed in this audit since the same has been subject to review by statutory auditors and other designated professionals.

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

   (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings

(SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The Company has published beyond the prescribed time limit, the Newspaper Advertisement pertaining to transfer of shares to IEPF for the Financial Year 2008-2009 as per Section 124(6) of the Companies Act 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016.
2. The Company has not filed form MGT -14 with Ministry of Corporate Affairs (MCA) for the approval of the Consolidated Financial Statements for year ended 31st March 2018.
3. The Company has not disclosed to the Stock Exchange the Details pertaining to Closure of Trading Window for the Board Meeting dated 7th June 2018 and 10th August 2018.
4. The Company has published in the Newspaper, an advertisemet pertaining to transfer of shares to IEPF on 18th August 2018. The Company has not intimated the same to the Stock Exchange as per Regulation 47(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
5. The Deemed General Meeting of the Company was held on 28th December 2018.The Company has filed the Voting Results in XBRL format on 2nd january 2019 which is beyond the prescribed time limit as per Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirments) Regulations 2015.
6. The Company has not disclosed the reason for the resignation of Mr Krishnamurthy as an Independent Directer of the Company as per SEBI Circular CIR/CFD/CMD/04/2015 dated 09th September 2015.
7. The Company has not filed the Reconciliation of Share Capital in XBRL format to the Stock Exchangefor the Quarter ended 30th June 2018 and 30th September 2018 as per SEBI Circular LIST/COMP/05/2017-18 dated 14th June 2017.
8. The Company has appointed Mr K S Sripathi as an independent Director of the Company with effect from 11th September 2018. The Company has intimated the same to the Stock Exchange on 2nd September 2018 which is beyond the prescribed time limit as per Regulation 30(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
9. The Annual General Meeting of the Company was held on 03rd August 2018. The Company has filed the Voting results in XBRL formaton 6th August 2018 which is beyond the prescribed time limit as per Regulation 44(3) of SEBI (Usting Obligations and Disclosure Requirements) Regulations 2015.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director I Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting including the resolutions passed through Postal Ballot, the number of votes cast against the resolutions has been recorded.

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

We further report that the above mentioned Company being a listed entity this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIRICFDICMD112712019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company does not have any Material Unlisted Subsidiary (ies) Incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

We further report that during the audit period, the Company has

- ➢ received an Order No. CPI714(IB)ICBI2017 dated 17th May 2018 from the National Company Law Tribunal, Division Bench, Chennai in directing commencement of corporate resolution process under Insolvency and Bankruptcy code, 2016 in the Subsequently, the CIRP proceedings had been stayed by the National Company Law Appellate Tribunal dated 31/5/2018 on the Company appeal (AT)(Ins) No.241/2018. Further, the National Company Law Appellate Tribunal (NCLAT) on 25th July 2018 resolved the stay order against the Company in connection with a petition filed by ACRE (Asset Care & Reconstruction Enterprises Limited) under the Corporate Insolvency Resolution Process (CIRP).

- The NCLATaccepted the stand that there was no default on the part of the Company and that the issue arose because the consortium bankers did not accept ACRE as a lender since the deed of Accession had not been executed by ACRE in an aligned manner. The bench had also noted that the issues between ACRE and consortium stood resolved.

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
UIN : S2003TN063400

PLACE : CHENNAI
DATE:27th May, 2019

Note: This Report is to be read with letter of even date by Secretarial Auditor, which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

The Members,
Shriram EPC Limited
Sigapi Achi Building, 4th Floor
18/3 Rukmini Lakshmipathi Road,
Egmore
Chennai – 600008

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

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

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
UIN : S2003TN063400

PLACE : CHENNAI
DATE:27th May, 2019

Independent Auditor's Report to the Members of Shriram EPC Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Shriram EPC Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis of Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Financial Assets Loans (Non current) include Rs 3,815.40 lakhs (March 31, 2018: Rs. 3,677.28 Lakhs) and other trade receivables under "Other Non-current Financial Assets include net amount of Rs 318.75 lakhs (March 31, 2018: Rs. 307.21 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 four 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 9.2 of standalone financial Statements.

This matter was also qualified in our report on the standalone financial statements for the year ended March 31, 2018.

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 Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone financial statements:

a) Note no 11.1 of the standalone financial statements regarding dues amounting to Rs. 7,383.60 lakhs (March 31, 2018: Rs 7,106.46 lakhs) in respect of project which is stalled due to statutory delays faced by the customer. Considering the customer's continued efforts to identify alternate options to complete the project, management is of the view that it will be able to realize such dues.

b) Note no 39 of the standalone financial statements regarding the carrying value of Deferred Tax Asset (DTA) of Rs. 41,013.89 lakhs recognized over unabsorbed business losses. As explained in the note, based on the future business plan and related projections, the management is confident that taxable profits will be available in the future which can be set off against the carry forward losses.

Our opinion is not modified in respect of these matters.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, Chairman's Statement, Director's Report etc, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, on the recoverability of Financial Assets Loans (Non-Current) and Other Trade Receivables under "Other Non-Current Financial Assets" due from related party. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period.

These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis of Qualified Opinion section we have determined the matters described below to be key audit matters to be communicated in our report.

Provision for impairment losses against loan and account receivables:	
Key Audit Matter	***How the Key Audit Matter was addressed in our audit***
Provision for Expected credit loss Refer to Note 9, 10,11 & 14, 18 in the IND AS Financial statements of 2018-19. Loan and account receivables are measured at amortized cost using the effective interest method. The Expected credit loss provision in respect of loan and account receivables represent management's best estimate of the impairment losses incurred within the loan portfolio at the balance sheet date. The company's loan portfolio consists of loans given to related parties, trade receivables and unbilled revenue. For trade receivables and loan assets that are individually significant, expected credit losses are measured based on the present value of cash shortfalls over the remaining expected lives of the trade receivables and contract assets. The calculation of the collective credit loss provision is inherently judgmental. We have identified provisioning for expected credit loss as a key audit matter as the calculation of credit loss provision is a complex area and requires management to make significant assumptions on customer payment behavior and estimating the level and timing of expected future cash flows.	Our audit procedure in respect of this area included: 1.Understand and assess the management's estimate and related policies used in the expeted credit loss analysis 2.Performed test of key controls to analyse operating effectiveness relating to calculation of impairment provisions. 3.Reviewed the data flows from source systems to spreadsheet-based models to test their completeness and accuracy. 4.For Expected Credit Loss (ECL) of trade receivables and loan assets assessed on individual level by the management, examined on a test check basis, the objective evidence relating to the impairment of trade receivables and loan assets and the key assumptions used in the estimate of the present value of all cash shortfalls and reviewed whether amounts have been recovered after the end of reporting period. 5.Obtained debtors' credit information on sample basis to ascertain whether the classification of debtors is in compliance with the company's policy. 6.Reviewed the management's ageing analysis based on days past due by examining the original documents (such as invoices and bank deposit advices). 7.Recalculated the ECL of each type of trade receivables and loan assets according to the provision matrix.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

(a). We have sought and, except for the possible effect of the matter described in the Basis for Qualified opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

(b). Except for the effects of the matter described in the Basis of Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c). The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d). Except for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e). The matter described in Basis of Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the Company.

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

(g). The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.

(h). With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(i). With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 52 to the standalone financial statements;

   ii. Except for the possible effect of the matters described in the Basis of Qualified Opinion section above, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

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

Geetha Jeyakumar
Partner
Membership No.: 029409

Place: Chennai
Date: May 27, 2019

Annexure "A" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Shriram EPC Limited

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned

scope and timing of the audit and significant audit findings, including any significant deficiencies in

internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are

therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Geetha Jeyakumar
Partner
Membership No.: 29409

Place: Chennai
Date: May 27, 2019

Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of Shriram EPC Limited for the year ended March 31, 2019

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

(i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).

(b) All the fixed assets (Property, Plant and Equipment) have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) In respect of immovable properties of land and building that have been taken on lease and disclosed as Fixed Assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(d) Immovable properties of land and buildings whose title deeds have been pledged with a bank as security for term loans, are held in the name of the Company based on the Mortgage deed executed between the bank and the Company for which confirmation has been obtained from the bank.

ii. The Company does not have any inventory other than contract work in progress and hence reporting under clause (ii) of the CARO 2016 is not applicable.

iii. According to the information and explanation given to us, the Company has granted loans, secured or unsecured to Companies covered in the register maintained under section 189 of the Act, in respect of which:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms and conditions on which the loans have been granted by the Company are, in our opinion, prima facie, not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest have not been stipulated and in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest.

(c) There are no overdue amounts remaining outstanding as at the Balance Sheet date, except for an amount of Rs. 4,134.15 Lakhs as referred to in Basis of Qualified opinion paragraph in the Independent Auditors' Report, which have been outstanding for a considerable period of time, and as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and securities, as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant as specified by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other material statutory dues applicable to it. There were no undisputed statutory dues in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income tax, service tax and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (Rs. In Lakhs)	Amount Unpaid (Rs. In Lakhs)
Income Tax Act, 1961	Income Tax, Interest and Penalty	2011-12	CIT(A)	3,668.58	3,668.58
Service Tax (Chapter V of the Finance Act, 1994)	Service Tax and Penalty	2010-11 to 2012-13	Customs Excise and Service Tax Appellate Tribunal	408.00	408.00
Service Tax (Chapter V of the Finance Act, 1994)	Service Tax and Penalty	2006-07 to 2008-09	Customs Excise and Service Tax Appellate Tribunal	133.00	133.00
Andhra Pradesh Value Added Tax Act	Value Added Tax	2008-09 and 2009-10	Supreme Court	223.33	223.33
Tamil Nadu Value Added Tax Act	Value Added Tax	2010-11	High Court of Madras	57.16	57.00
West Bengal Value Added Tax Act	Value Added Tax	2007-08 to 2014-15	Revisional Board	1860.00	527.00
Orissa Value Added Tax Act	Value Added Tax	2011-12 and 2012-13	High Court of Orissa	6,700.75	6,700.75

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders except for in the following cases:

Particulars	Amount of default for the year ended March 31, 2019	Period of default	Remarks, if any
Central Bank of India	Rs. 464.25 Lakhs	Ranging from 3 – 75 Days	Principal Payment which have been subsequently paid
Central Bank of India	Rs. 1491.22 Lakhs	Ranging from 18 – 81 Days	Interest Payment which have been subsequently paid

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

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

Geetha Jeyakumar
Partner
Membership No.: 029409

Place: Chennai
Date: May 27, 2019

Standalone Balance Sheet as at March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

	Notes	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non-current assets			
Property, plant and equipment	6	5,330.39	5,515.95
Capital work-in-progress		14.84	14.84
Intangible assets	7	48.03	63.18
Financial assets			
Investments	8	112.21	130.75
Loans	9	17,675.67	40,625.03
Trade Receivables	10	25,256.19	17,879.05
Other Financial Assets	10	1,729.92	4,740.27
Deferred Tax Assets (Net)	39	47,623.70	47,623.70
Income Tax Assets (Net)	12	2,394.76	3,018.29
Other Non-Current Assets	11	3,956.02	9,320.42
Total Non-Current Assets		**104,141.73**	**128,931.48**
Current assets			
Inventories	13	3,849.24	3,765.57
Financial assets			
Trade receivables	14	34,421.44	37,978.29
Cash and cash equivalents	15	944.26	2,125.64
Other bank balances	16	8,116.89	3,697.92
Other Financial Assets	17	4,285.20	8,024.93
Other Current assets	18	97,975.53	81,652.70
Total Current Assets		**149,592.56**	**137,245.05**
Total Assets		**253,734.29**	**266,176.53**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	97,152.90	97,152.90
Other equity	20	28,655.15	25,779.23
Total Equity		**125,808.05**	**122,932.13**
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	21	20,645.33	28,164.58
Other financial liabilities	22	5,690.66	5,955.85
Provisions	23	660.69	532.27
Other non-current liabilities	24	18,889.16	13,117.80
Total Non-Current Liabilities		**45,885.84**	**47,770.50**
Current liabilities			
Financial liabilities			
Borrowings	25	42,614.61	51,163.89
Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		31,707.96	31,462.42
Other financial liabilities	27	2,465.70	3,532.92
Other current liabilities	28	4,719.07	8,899.01
Provisions	29	533.06	415.66
Total Current Liabilities		**82,040.40**	**95,473.90**
Total Liabilities		**127,926.24**	**143,244.40**
Total Equity and Liabilities		**253,734.29**	**266,176.53**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No : 029409

T. Shivaraman
Managing Director & CEO
DIN: 01312018

Chandra Ramesh
Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

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

(Amount in ₹ lakhs, unless otherwise stated)

	Notes	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Income			
Revenue from operations	30	74,065.70	61,504.33
Other income	31	7,427.37	10,533.10
Total income		**81,493.07**	**72,037.43**
Expenses			
Erection, Construction & Operation Expenses	32	58,597.62	47,916.68
Changes in inventories of work-in-progress	33	(83.67)	48.39
Employee benefits expense	34	5,229.68	4,577.23
Finance costs	35	9,544.54	10,350.65
Depreciation and amortization expense	36	559.53	584.14
Other expenses	37	4,323.44	6,134.43
Total expenses		**78,171.14**	**69,611.52**
Profit before exceptional items and tax		3,321.93	2,425.91
Exceptional items	38	(459.97)	-
Profit before tax		**2,861.96**	**2,425.91**
Income tax expense	39		
Current tax		-	-
Deferred tax		-	1,349.81
Total income tax expense		**-**	**1,349.81**
Profit for the year		**2,861.96**	**1,076.10**
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans (Net of tax)		32.49	59.04
Fair Value of Equity Instruments through OCI (Net of tax)		(18.54)	(2.70)
		13.95	56.34
Other Comprehensive Income for the year		**13.95**	**56.34**
Total Comprehensive Income for the year		**2,875.91**	**1,132.44**
Earnings per share			
Basic earnings per share (₹)		0.30	0.12
Diluted earnings per share (₹)		0.30	0.12
Face value per equity share (₹)		10.00	10.00
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
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Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

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

(Amount in ₹ lakhs, unless otherwise stated)

(A) Equity share capital	As at 31-Mar-19		As at 31-Mar-18	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Outstanding at the Beginning of the year	971,529,018	97,152.90	936,967,941	93,696.79
Add: Shares issued during the year	-	-	34,561,077	3,456.11
Outstanding at the End of the year	**971,529,018**	**97,152.90**	**971,529,018**	**97,152.90**

(B) Other equity

	Share Application money pending allotment	Reserve and surplus					Components of Other Comprehensive Income		Total
		Share options outstanding account	Securities premium account	General reserve	Capital reserve	Retained earnings	Re-measurement gains/ (losses) on defined benefit plans (Net of Tax)	Equity instruments through Other Comprehensive Income	
Balance as at 1 April 2018		0.17	191,225.43	561.75	12.92	(166,090.65)	73.46	(3.85)	25,779.23
Loss for the year	-	-	-	-	-	2,861.96	-	-	2,861.96
Other comprehensive income	-	-	-	-	-		32.49	(18.54)	13.95
Total other comprehensive loss for the year	**0.00**	**0.17**	**191,225.43**	**561.75**	**12.92**	**(163,228.69)**	**105.95**	**(22.39)**	**28,655.14**
Issue of Equity shares	0.00	-		-	-	-	-	-	0.00
Balance as at 31 March 2019	**-**	**0.17**	**191,225.43**	**561.75**	**12.92**	**(163,228.69)**	**105.95**	**(22.39)**	**28,655.14**

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

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DIN: 01312018

Chandra Ramesh
Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

Statement of cash flows for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Cash flow from operating activities		
Profit before tax and exceptional items	2,861.96	2,425.91
Adjustments for:		
Depreciation and amortization expenses	559.53	584.14
Provision for Gratuity	134.22	88.00
Provision for Compensated Absences	109.39	(38.54)
Fair valuation of Investments	-	2.70
Provision for doubtful trade and Other receivables and Loans and Advances	-	731.73
Finance cost	10,606.00	11,347.83
Interest income	(6,805.35)	(9,723.81)
Liabilities written back	(501.23)	(673.74)
(Gain)/ loss on sale of fixed assets	-	(2.66)
Operating profit before working capital changes	**6,964.52**	**4,741.56**
Changes in working capital		
Increase/(Decrease) in trade payables	245.54	6,499.15
Decrease/ (Increase) in inventories	(83.67)	48.40
Decrease/ (Increase) in trade receivables	(3,820.29)	2,489.18
Decrease/ (Increase) in loans and advances	22,949.36	(3,542.94)
Increase/(Decrease) in other current liabilities	(4,179.95)	1,062.07
Increase/(Decrease) in other non current liabilities	5,771.36	(518.12)
Increase/(Decrease) in Short Term provisions	117.40	(33.60)
Increase/(Decrease) in Long Term provisions	128.42	83.06
Increase/(Decrease) in other financial liabilties	1,465.28	1,854.16
Decrease/ (Increase) in other financial assets	7,210.22	12,476.16
Decrease/ (Increase) in other current assets	(16,322.83)	(16,635.20)
Decrease/ (Increase) in non-current assets	5,364.40	(1,260.60)
Cash generated used in operations	**25,809.76**	**7,263.28**
Income tax paid (Net)	623.53	(605.63)
Net cash flows used in operating activities (A)	**26,433.29**	**6,657.65**
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(485.97)	(80.81)
Movement in Bank balances not considered as Cash and cash equivalents (Net)	(4,418.97)	844.56
Proceeds from sale/ disposal of fixed assets	84.70	7.57
Net proceeds from fixed deposits		
Interest received	1,012.37	1,406.56
Net cash flow from investing activities (B)	(3,807.87)	2,177.88
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	-	3,500.00
Proceeds/ Repayment of Short term borrowings(net)	(8,549.24)	1,960.38
Repayment of Long term borrowings	(7,519.25)	(814.54)
Movement in current maturities of long term borrowings		
Interest and Finance Charges Paid	(7,738.31)	(12,958.28)
Net cash flow from financing activities (C)	(23,806.80)	(8,312.44)

Statement of cash flows for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Net increase in cash and cash equivalents (A+B+C)	(1,181.38)	523.09
Cash and cash equivalents at the beginning of the year	2,125.64	1,602.50
Cash and cash equivalents at the end of the year	944.26	2,125.59
Cash and cash equivalents comprise (Refer note 15)		
Cash and cash equivalents as per Balance Sheet	9,061.15	5,823.56
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (Refer note 16)	8,116.89	3,697.92
Total cash and bank balances at end of the year	944.26	2,125.64
Summary of significant accounting policies	2	

The accompanying notes are an integral part of thefinancial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No : 029409

T. Shivaraman
Managing Director & CEO
DIN: 01312018

Chandra Ramesh
Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

Notes forming part of Financial Statements for the year ended March 31, 2019

1 **General Information**

Shriram EPC Limited (the "Company" or "SEPC") which is a part of the Shriram EPC Group has diverse interests across Project Engineering & Construction. The company provides end-to-end solutions to engineering challenges, offering multi disciplinary design, engineering, procurement, construction and project management services. SEPC is focused on providing turnkey solutions for ferrous & non ferrous, cement, aluminum, copper and thermal power plants, water treatment & transmission, renewable energy, cooling towers & material handling.

Financial statements include company's share of assets, liabilities, income and expenses relating to jointly controlled operations of below entities:

- Larsen & Toubro Limited Shriram EPC JV
- Shriram EPC Eurotech Environmental Pvt Ltd - JV
- SEPC DRS ITPL JV
- Mokul Shriram EPC JV

2 **Significant accounting policies**

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared using significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind AS as summarised in Note 5.

(a) **Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value (Refer Accounting Policy No. 2.15 on financial instruments).

The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The normal operating cycle of the entity for Construction contracts is the duration of 2 to 3 years depending on each contract. For all other segments, the normal operating cycle has been considered as a duration of 12 months.

(c) **Presentation of financial statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimal places.

(d) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

(e) **Interests in Joint Operations**

When the Company has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Company recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Holding Company and its subsidiaries are combined for consolidation.

2.2 Property, plant and equipment (PPE)

Property, plant and equipment is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE are stated at original cost net of taxes/ duty credits availed , if any less accumulated depreciation and cumulative impairment, if any. PPE acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

For transition to Ind AS, the Company has elected to adopt as deemed cost , the carrying value of PPEmeasured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1,2016. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	
Leasehold improvement*	Lease period or life of asset whichever is lower
Plant & Machinery	15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers	
- Servers	6 years
- End user devices such as laptops, desktops	3 years

* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/ deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate. Freehold land is not depreciated.

2.3 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost, net of tax/duty credits availed, if any less accumulated amortization and cumulative impairment. Admininstrative and other general overhead expenses that are specifically attributable to the acquisition of intangible assets are allocated and capitalized as part of cost of the intangible asset.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its all intangible assets recognised as at 1 April 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets

Technical know how	5 to 10 years
Computer Software	5 years

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and Intangible Assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and Intangible Assets are tested for impairment, so as to determine the impairment loss, if any. Goodwill and Intangible Assets with indefinite life are tested for impairment each year.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

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

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/ Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.5 Fair value measurement

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS and certain items of property, plant and equipment that were revalued in earlier years in accordance with the I-GAAP principles. The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.The Company's management determines the policies and procedures for fair value measurement.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

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

► Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

2.6 Revenue Recognition

A. The Company has adopted IND As 115 “Revenue from Contracts with Customers” effective April 1,2018. IND As 115 supersedes IND As 11 “ Construction Contracts” and IND AS 18 “Revenue”. The company has applied IND As 115 and its application did not have any significant impact on recognition and measurement of revenue and related items in the financial results including the retained earnings as at April 01, 2018.

B. Revenue is recognised based on the nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated rebates and other similar allowances.

C. Revenue from construction contracts/ project related activity and contracts for supply/ commissioning of complex plant and equipment is recognised as follows:

Fixed price contracts: Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable the such cost will be recoverable . When the outcome of the contract is ascertained reliably,contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to date , to the total estimated contracts cost.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

(i) The amount of revenue can be measured reliably;

(ii) It is probable that the economic benefits associated with the contract will flow to the company;

(iii) The stage of completion of the contract at the end of the reporting period can be measured reliably; and

(iv) The costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amounts received before the related work is performed are disclosed in the Balance sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customer are disclosed in the Balance sheet as trade receivables. The amount of retention money held by the customers is disclosed as part of other current assets and is reclassified as trade receivables when it becomes due for payment.

Revenue from contracts from rendering engineering design services and other services which are directly related to construction of an asset is recognised on the same basis as stated in (B) above.

Other Operational Revenue

Other Operational Revenue represents income earned from activities incidental to the business and is recognized when the right to receive income is established as per the terms of contract.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted in the period in which the right to receive the same is established.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a)Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b)Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.9 Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

2.12 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to subsidiary, associate and joint venture companies; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand, cheques in transit and demand deposits with banks.

For the purposes of the cash flow statement, Cash and Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Statement of Cash Flows:

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of :

i.changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and

iii. all other items for which the cash effects are investing or financing cash flows.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(ii)Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

<u>Amortized cost</u>: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

<u>Fair value through other comprehensive income (FVOCI)</u>: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

<u>Fair value through profit or loss</u>: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

The company has currently excercisedthe irrevocable option to present in Other comprehensive Income , subsequent changes in the Fair value of Equity Instruments. Such an election has been made on instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

(iii)Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv)Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i)Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.16 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

2.17 Contributed equity

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

4 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes will reflect in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

(c) Construction Contracts

Recognizing construction contract revenue requires significant judgement in determining actual work performed and the estimated costs to complete the work,provision for rectification costs, variation claims etc

(d) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carryforwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

5 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

a. **Ind AS 116 – Leases**

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

b. Ind AS 12 - Income taxes (amendments relating to uncertainty over income tax treatments and income tax consequences on dividend distribution)

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The effective date for adoption of Ind AS 12 amendments are annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The Company is currently evaluating the effect of this amendment on the financial statements.

c. Ind AS 19- Plan amendment, curtailment or settlement (Amendment):

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements. The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The company does not expect this amendment to have any significant impact on its financial statements.

d. Ind AS 23 – Borrowing Costs (Amendment):

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 23, Borrowing Costs. The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not have any impact from this amendment.

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

6.Property, plant and equipment - Current Year

	Gross block				Depreciation				Net block	
Block of Assets	**As at 1-Apr-18**	**Additions/ Adjustments**	**Deductions/ Adjustments**	**As at 31-Mar-19**	**As at 1-Apr-18**	**For the year**	**Deductions/ Adjustments**	**As at 31-Mar-19**	**As at 31-Mar-19**	**As at 31-Mar-18**
Owned assets										
Freehold land	241.50	-	-	241.50	-		-	-	241.50	241.50
Leasehold Improvements	318.15	-	-	318.15	111.44	37.78	-	149.22	168.93	206.71
Buildings	152.15	-	2.25	149.90	13.65	5.15	2.25	16.55	133.35	138.50
Plant and Machinery - (Refer to Note 6.1 below)	5,659.57	420.07	155.91	5,923.73	909.09	425.51	60.78	1,273.82	4,649.91	4,750.48
Furniture and Fixtures	60.16	2.83	1.84	61.15	17.02	7.81	1.22	23.61	37.54	43.14
Office Equipment	38.57	0.21	16.62	22.16	25.39	24.23	27.67	21.95	0.21	13.18
Computers	111.77	20.41	4.08	128.10	47.93	28.52	4.08	72.37	55.73	63.84
Vehicles - (Refer to Note 6.1 below)	74.16	-	-	74.16	15.56	15.38	-	30.94	43.22	58.61
Total	**6,656.03**	**443.52**	**180.70**	**6,918.85**	**1,140.08**	**544.38**	**96.00**	**1,588.46**	**5,330.39**	**5,515.95**

Property, plant and equipment - Previous Year

	Gross block				Depreciation				Net block	
Block of Assets	**As at 1-Apr-17**	**Additions/ Adjustments**	**Deductions/ Adjustments**	**As at 31-Mar-18**	**As at 1-Apr-17**	**For the year**	**Deductions/ Adjustments**	**As at 31-Mar-18**	**As at 31-Mar-18**	**As at 31-Mar-17**
Owned assets										
Freehold land	241.50	-	-	241.50	-		-	-	241.50	241.50
Leasehold Improvements	318.15	-	-	318.15	71.98	39.46	-	111.44	206.71	246.17
Buildings	152.15	-	-	152.15	8.50	5.15	-	13.65	138.50	143.65
Plant and Machinery - (Refer to Note 6.1 below)	5,654.85	4.72	-	5,659.57	445.78	463.31	-	909.09	4,750.48	5,209.07
Furniture and Fixtures	60.05	0.11	-	60.16	8.71	8.31	-	17.02	43.14	51.34
Office Equipment	36.97	1.60	-	38.57	14.97	10.42	-	25.39	13.18	22.00
Computers	56.13	55.64	-	111.77	22.43	25.50	-	47.93	63.84	33.70
Vehicles - (Refer to Note 6.1 below)	77.18	18.74	21.76	74.17	17.04	15.37	16.85	15.56	58.61	60.14
Total	**6,596.98**	**80.81**	**21.76**	**6,656.03**	**589.41**	**567.52**	**16.85**	**1,140.08**	**5,515.95**	**6,007.57**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

6.1Details of Assets taken under finance lease:		
Block of Assets	**31-Mar-19**	**31-Mar-18**
Plant and Machinery		
Gross Block	131.59	131.59
Accumulated Depreciation	38.70	25.80
Net Book value	92.89	105.79
Vehicles		
Gross Block	54.14	54.14
Accumulated Depreciation	30.54	20.36
Net Book value	23.60	33.78

7. Intangible assets - Current Year

	Gross block				Depreciation				Net block	
Block of Assets	**As at 1-Apr-18**	**Additions/ Adjustments**	**Deductions/ Adjustments**	**As at 31-Mar-19**	**As at 1-Apr-18**	**For the year**	**Deductions/ Adjustments**	**As at 31-Mar-19**	**As at 31-Mar-19**	**As at 31-Mar-18**
Computer Software	43.12	-	-	43.12	15.11	-	-	15.11	28.01	28.01
Technical Knowhow	54.22	-	-	54.22	19.05	15.15	-	34.20	20.02	35.17
Total	**97.34**	**-**	**-**	**97.34**	**34.16**	**15.15**	**-**	**49.31**	**48.03**	**63.18**

Intangible assets - Previous Year

	Gross block				Depreciation				Net block	
Block of Assets	**As at 1-Apr-17**	**Additions/ Adjustments**	**Deductions/ Adjustments**	**As at 31-Mar-18**	**As at 1-Apr-17**	**For the year**	**Deductions/ Adjustments**	**As at 31-Mar-18**	**As at 31-Mar-18**	**As at 31-Mar-17**
Computer Software	43.12	-	-	43.12	15.11		-	15.11	28.01	28.01
Technical Knowhow	54.22	-	-	54.22	2.43	16.62	-	19.05	35.17	51.79
Total	**97.34**	**-**	**-**	**97.34**	**17.54**	**16.62**	**-**	**34.16**	**63.18**	**79.80**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

8 Financial Assets- Investments (Non Current)	As at 31-Mar-19	As at 31-Mar-18
(A) Investment in wholly owned Subsidiary carried at cost		
1 Equity share (Previous year: 1 Equity share) of 150,000 AED in Shriram EPC (FZE)	24.26	24.26
(B) Investment in Associate - Non Trade		
Unquoted		
22,239,167 Equity Shares (Previous year: 22,239,167 Equity Shares) of ₹ 10/- each fully paid up in Haldia Coke and Chemicals Private Limited (Refer Note 8.1 below)	4,007.22	4,007.22
Less: Provision for Diminition in value of Investments	(4,007.22)	(4,007.22)
	-	-
(C) Investments in Others - Trade - Fair value through Other Comprehensive Income		
Quoted		
386,526 Equity Shares (Previous year: 386,526 Equity Shares) of ₹ 10/- each fully paid up in Orient Green Power Company Limited	21.82	40.36
Unquoted		
661,300 Equity shares (Previous year: 661,300 Equity shares) of ₹ 10/- each fully paid in Hexa Wind Farm Private Limited	66.13	66.13
4,076,474 Equity shares (Previous year: 4,076,474 Equity Shares) of ₹ 10/- each fully paid up in Leitwind Shriram Manufacturing Private Limited	407.56	407.56
Less: Provision for Diminition in value of Investments	(407.56)	(407.56)
	-	-
Total (A+B+C)	**112.21**	**130.75**
Aggregate book value of:		
Quoted investments	21.82	40.36
Unquoted investments	90.39	90.39
Aggregate amount of impairment in value of Investments	**4,414.78**	**4,414.78**

8.1 Of the above, 10,092,344 Equity Shares have been pledged with a lender for monies borrowed by the associate.

9 Non-Current Financial assets - Loans	As at 31-Mar-19	As at 31-Mar-18
Unsecured, considered good		
Considered Good	29,168.75	102,733.34
Considered doubtful	5,108.10	5,108.10
Less: Provision for Expected Credit Loss	(16,601.18)	(67,216.41)
Total	**17,675.67**	**40,625.03**

(Amount in ₹ lakhs, unless otherwise stated)

9.1 Loans includes due from:	As at 31-Mar-19	As at 31-Mar-18
i) Private Companies in which directors are Interested:		
Haldia Coke and Chemicals Private Limited (Refer Note 9.3 below)	-	48,833.58
ii) Other Related Parties:		
SVL Limited	3,936.03	-
Ennore Coke Limited (Refer Note 9.3 below)	-	29,180.73
Leitwind Shriram Manufacturing Private Limited (Net of Provision for expected credit loss of ₹ 8,436.86 Lakhs (March 31, 2018 - ₹ 8,574.99 Lakhs) (Refer Note 9.2 below)	3,815.40	3,677.28
Shriram EPC Arkan LLC	1,272.14	-
Bharath Wind Farm Limited	5.76	26.12

9.2 Financial Assets Loans (Non Current) includes Rs. 3,815.40 Lakhs (March 31, 2018 - Rs. 3,677.28 Lakhs) and Other Trade Receivables under "Other Non Current Financial Assets" include Rs. 318.75 Lakhs (March 31, 2018 - Rs. 307.21 Lakhs), due from Leitwind Shriram Manufacturing Private Limited (LSML) (a related party). LSML is in the process of restructuring their operations, whereby debts settlement with bankers are being negotiated, improvement in exports with support from Joint venture partner of LSML resulting in manufacturing opportunities , the dues are expected to be recovered earlier than the original repayment plan. Considering the developments the management is confident of realising the dues.

9.3 During the year, advances receivable from an associate company and its subsidiary amounting to Rs. 29,702.65 Lakhs (Net of Unexpired expired credit loss provision of Rs.48,311.07 lakhs) has been sold to the Company's Entities exercising significant influence over the Company for a total consideration of Rs. 25,000 Lakhs along with rights attached to it. Pursuant to this transaction the Company has written off a net amount of Rs 4,702.65 lakhs. Refer Note 38 for disclosure of write off under exceptional item in Statement of Profit and Loss. Consequently, the corresponding deferred tax asset on unexpired credit loss provision amounting to Rs. 16,881.90 Lakhs has been reversed during the year.

10 Other Non-Current Financial assets	As at 31-Mar-19	As at 31-Mar-18
Trade Receivables - Retention Money		
Considered Good	25,256.19	17,879.05
Considered doubtful	**2,235.38**	2,235.38
Less: Provision for doubtful receivables	**(2,235.38)**	**(2,235.38)**
	25,256.19	**17,879.05**
Trade Receivables - Others		
Considered Good		-
Considered doubtful	**1,562.72**	1,562.72
Less: Provision for doubtful receivables	**(1,562.72)**	**(1,562.72)**
	-	**-**
Deposits	1,253.63	1,250.43
Other receivables (Refer Note 10.1 below)	476.29	3,489.84
	1,729.92	**4,740.27**
Total	**26,986.11**	**22,619.32**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

10.1 Other Receivables includes an amount of ₹ 476.29 Lakhs (March 31, 2018 ₹ 3,489.84 Lakhs and the balance consideration receivable from My Home Industries Limited ("MHIL") towards the value of certain receivables due from Sree Jayajothi Cements Limited ("SJCL") taken over by MHIL pursuant to an agreement dated August 11, 2013 entered into with them. This amount has been deposited in a Joint Escrow Account to be received by the Company after completion of certain formalities as per the above said agreement.

11 Other Non-Current Assets	As at 31-Mar-19	As at 31-Mar-18
Unbilled Revenue (Also Refer Note 11.1 below)	9,299.45	16,752.60
Less: Provision for Expected Credit Loss	(5,343.43)	(7,432.18)
Total	**3,956.02**	**9,320.42**

11.1 The Company entered into a contract to construct Ammonia plant for Bharath Coal and Chemicals Limited (BCCL) (related party). The project is stalled due to delays in statutory approvals. The total exposure in this project recorded under Unbilled Revenue is ₹ 3,969.34 Lakhs (March 31, 2018 - ₹ 3,692.20 Lakhs) and Contract Work In Progress is ₹ 3,414.26 Lakhs (March 31, 2018 - ₹ 3,414.26 Lakhs). Considering the continued efforts by BCCL in identifying alternate options to complete the project, the viability of the project, management is of the view that BCCL will be in a position to settle company's dues in full on commencement of the project work.

12 Income Tax Assets (Net)	As at 31-Mar-19	As at 31-Mar-18
Advance Tax (Net of Provision for Tax ₹ 7,260.29 lakhs (March 31, 2018 ₹ 7260.29 lakhs))	2,394.76	3,018.29
Total	**2,394.76**	**3,018.29**

13 Inventories	As at 31-Mar-19	As at 31-Mar-18
Work in progress in stock (Valued at lower of cost and net realizable value) (Also Refer Note 11.1 above))	3,849.24	3,765.57
Total	**3,849.24**	**3,765.57**

14 Trade receivables	As at 31-Mar-19	As at 31-Mar-18
Unsecured		
-Considered good	35,021.09	38,759.89
-Considered doubtful	4,607.90	4,607.90
Less: Provision for Expected Credit Losses	(5,207.55)	(5,389.50)
Total	**34,421.44**	**37,978.29**

14.1 Trade Receivables include due from related parties amounting to ₹ 1818.89 Lakhs (March 31, 2018 - ₹ 7,286.40 Lakhs)

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

15 Cash and bank balances	As at 31-Mar-19	As at 31-Mar-18
Cash and cash equivalents		
Balances with banks		
In current accounts	231.90	347.79
Deposit Account (Original maturity of 3 months or less)	-	57.92
Margin Money (Original maturity of 3 months or less)	712.00	1,719.80
Cash on hand	0.36	0.13
Total	**944.26**	**2,125.64**

16 Other Bank Balances	As at 31-Mar-19	As at 31-Mar-18
Unpaid Dividend Account	-	18.69
Deposit Account (Original maturity of more than 3 months)	4,194.40	913.02
Margin Money (Original maturity of more than 3 months)	3,922.49	2,766.21
Total	**8,116.89**	**3,697.92**

17 Other Current Financial assets	As at 31-Mar-19	As at 31-Mar-18
Security deposit	164.34	200.72
Interest Receivable	786.86	255.57
Trade Receivable - Retention monies	3,334.00	7,568.64
Total	**4,285.20**	**8,024.93**

18 Other current assets	As at 31-Mar-19	As at 31-Mar-18
Advances to Employees	93.60	51.63
Balance with Government Authorities	4,430.12	1,473.08
Prepaid Expenses	38.50	45.24
Unbilled Revenue	92,969.75	76,891.54
Less: Provision for Expected Credit Loss	(8,028.38)	(9,728.82)
Other Advances	848.16	50.62
Advances to Suppliers		
-Considered good	7,623.78	12,869.41
-Considered doubtful	1,640.30	1,640.30
Less : Provision for doubtful Advances	(1,640.30)	(1,640.30)
	7,623.78	**12,869.41**
Total	**97,975.53**	**81,652.70**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

19 Equity Share capital	As at 31-Mar-19	As at 31-Mar-18
Authorized		
1,050,000,000 (31 March 2018: 1,050,000,000) Equity Shares of ₹ 10 each	105,000.00	105,000.00
	105,000.00	**105,000.00**
Issued, subscribed and paid up		
971,529,018 (31 March 2018: 971,529,018) equity shares of ₹ 10 each fully paid	97,152.90	97,152.90
	97,152.90	**97,152.90**

(a) Reconciliation of Equity shares outstanding at the beginning and at the end of the year

	As at 31-Mar-19		As at 31-Mar-18	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	971,529,018	97,152.90	936,967,941	93,696.79
Add: Issued during the year	-	-	34,561,077	3,456.11
Outstanding at the end of the year	**971,529,018**	**97,152.90**	**971,529,018**	**97,152.90**

(b) Details of shareholders holding more than 5% shares

	As at 31-Mar-19		As at 31-Mar-18	
Name of Shareholder	Number of shares	% holding	Number of shares	% holding
Equity Shares				
SVL Limited	279,391,356	28.76%	279,391,356	28.76%
State Bank of India	125,634,843	12.93%	125,634,843	12.93%
Central Bank of India	93,570,276	9.63%	93,570,276	9.63%
Oriental Bank of Commerce	69,063,261	7.11%	69,109,490	7.11%
IDBI Bank Limited	57,631,183	5.93%	59,631,183	6.14%
Punjab National Bank	55,282,938	5.69%	55,282,938	5.69%

(c) Details of shares held by Promoter - Entities exercising significant influence over the Company

	As at 31-Mar-19		As at 31-Mar-18	
Name of Shareholder	No of Shares	% holding	No of Shares	% holding
SVL Limited	279,391,356	28.76%	279,391,356	28.76%

(d) There is no Preferential issue of Equity during the year ended March 31, 2019

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(e) Preferential issue of Equity during the previous year ended March 31, 2018	No of Shares	Face Value of Rs 10/-	Premium	Total
KPR Investments Private Limited	12,919,896	1,291.99	2208.01	3,500.00
Lender Banks -Conversion of Funded Interest Term Loan (FITL)	10,193	1.02	2.34	3.36
Lender Bank -Conversion of Interest Sacrifice	2,403,425	240.34	722.23	962.57
Lender Banks -Conversion of Working Capital Term Loan(WCTL)	19,227,563	1,922.76	2547.65	4,470.41
Total	**34,561,077**	**3,456.11**	**5,480.23**	**8,936.34**

(f) Terms/rights attached to the shares

The Company has issued equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting rights.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has only one class of share capital, i.e., equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

(g) The Authorised Equity Share Capital has been increased to ₹ 105,000 Lakhs with effect from 4th May 2017.

(h) Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000 for preferential issue proceeds received during March 31,2018 : (₹ Lakhs)

Particulars	Proceeds of Issue	Purpose
KPR Investments Private Limited	3,500.00	Business needs and exigencies
Conversion of FITL	3.36	Conversion of interest on WCTL, into Equity, to reduce cash outflow on account of interest
Conversion of Interest sacrifice	962.57	Conversion of monies already borrowed and fully utilised for business purpose
Conversion of WCTL	4,470.41	Re-compense liability converted into Equity by a lender
Total	**8,936.34**	

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

20 Other equity

(A)	The Company has preference share capital having a par value of ₹ 100 per share, referred to herein as preference share capital	As at 31-Mar-19	As at 31-Mar-18
	Authorized		
	30,000,000 (31 March 2018: 30,000,000) Convertible Preference Shares of ₹ 100 each	30,000.00	30,000.00
	Total	**30,000.00**	**30,000.00**

(B)	Other equity	As at 31-Mar-19	As at 31-Mar-18
	Capital Reserve (Refer Note (iii) below)	12.92	12.92
	Securities premium reserve (Refer Note (i) below)	191,225.43	191,225.43
	General reserve (Refer Note (ii) below)	561.75	561.75
	Deficit in the Statement of Profit and Loss (Refer Note (iv) below)	(163,228.69)	(166,090.64)
	Employee Stock options outstanding account (ESOOA) (Refer Note (v) below)	0.17	0.17
	Re-measurement gains/ (losses) on defined benefit plans (Net of Tax) (Refer Note (vii) below)	105.95	73.46
	Investments FVTOCI Reserve on equity instruments (Refer Note (vi) below)	(22.39)	(3.85)
	Total	**28,655.15**	**25,779.23**

(i)	Securities premium reserve	As at 31-Mar-19	As at 31-Mar-18
	Opening balance	191,225.43	185,745.20
	Add : Securities premium credited on issue of shares	-	5,480.23
	Closing balance	**191,225.43**	**191,225.43**

(ii)	General reserve	As at 31-Mar-19	As at 31-Mar-18
	Opening balance	561.75	561.75
	Additions/(Transfers)	-	-
	Closing balance	**561.75**	**561.75**

(iii)	Capital Reserve	As at 31-Mar-19	As at 31-Mar-18
	Opening balance	12.92	12.92
	Additions/(Transfers)	-	-
	Closing balance	12.92	12.92

(iv)	Deficit in the Statement of Profit and Loss	As at 31-Mar-19	As at 31-Mar-18
	Opening balance	(166,090.64)	(167,166.74)
	Add: Net Profit for year	2,861.96	1,076.10
	Closing balance	**(163,228.68)**	**(166,090.64)**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(v) Employee Stock options outstanding account	As at 31-Mar-19	As at 31-Mar-18
Opening Balance	0.17	0.17
Additions/(Transfers)	-	-
Closing Balance	**0.17**	**0.17**

(vi) Investments FVTOCI Reserve on equity instruments	As at 31-Mar-19	As at 31-Mar-18
Opening balance	(3.85)	(1.15)
-Fair valuation changes for the year (net of tax)##	(18.54)	(2.70)
-Transfer to equity on disposal of investments	-	-
Closing balance	**(22.39)**	**(3.85)**
##Includes cumulative fair valuation changes in equity shares (net of tax)		

(vii) Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	As at 31-Mar-19	As at 31-Mar-18
Opening Balance	73.46	14.42
Additions	32.49	59.04
Closing Balance	**105.95**	**73.46**

Nature and Purpose of Reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per the Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

Capital reserve

Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

Employee Stock options outstanding account

The reserve is used to recognize the grant date fair value of the options issued to employees under Company's Employee Stock Option Plan.

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

21 Non-current borrowings	As at 31-Mar-19	As at 31-Mar-18
Secured - At Amortized Cost		
From Banks		
- Term Loans	12,380.10	14,441.06
- Working Capital Term Loans	-	9,270.36
- Funded Interest Term Loans	-	1,921.62
From Others		
- Term Loans (Refer Note 21.3)	7,621.60	-
- Working Capital Term Loans	566.65	891.57
- Funded Interest Term Loans	69.95	151.18
Unsecured		
Loans from related parties	-	1,482.57
Others		
Finance Lease Obligations	7.03	6.22
Total	**20,645.33**	**28,164.58**

21.1 Terms of Repayment and Security details

Particulars	As at 31-Mar-2019	As at 31-Mar-2018	Interest Rate	Terms of Repayment	Secured by
Term Loans from Banks	2,255.10	2,748.11	11.25%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	Primary- Exclusive charge on 5 Wind Energy Generator of 1.5 MW from Leitwind Shriram Manufacturing Private Limited.
Term Loans from Banks	10,125.00	12,311.94	11.25%		
Term Loans from Others	7,621.60	-	-	27 structured quarterly instalments, commencing from Financial year 2019 and ending on financial year 2025	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets), immovable assets of the Company and Corporate Guarantee of SVL Limited and SVL Trust.
Working Capital Term Loan from Banks	-	9,273.04	11.25%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	
Funded Interest Term Loan from Banks	-	1,933.94	11.25%		
Working Capital Term Loan from Others	566.65	668.27	11.25%		
Working Capital Term Loan from Others	-	265.53	11.25%		
Funded Interest Term Loan from Others	69.96	138.92	11.25%		
Finance Lease Obligations from Bank	7.03	16.75	13.50%	36 to 60 Months	Secured by Vehicles purchased under Hire Purchase Scheme
Total	**20,645.33**	**27,356.50**			

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

21.2 Corporate Debt Restructuring

a) Corporate Debt Restructuring (CDR) proposal of the Company was approved w.e.f. April 01, 2014 and all the terms of the CDR have been complied with including right to recompense discharged by way of allotment of equity shares.

b) Working Capital Term Loan (WCTL) amounting to Rs 1226.72 Cr have been converted into equity based on the approval by CDR Cell and lenders at the price determined in accordance with SEBI(Issue of Capital and Disclosure) Regulations, 1999 (the Regulations).

c) The conversion of loans to equity share capital by certain banks have not yet been recognised by lenders and these are subject to reconcilations

d) All amounts due under CDR are covered by Corporate Gurantee of SVL Limited, Entities exercising significant influence over the Company and SVL Trust

e) 18,01,46,496 Equity shares of the Company have been pledged with the CDR lenders by SVL Limited, Entities exercising significant influence over the Company.

21.3 During the year, the Company had entered into settlement agreement with M/s ACRE (an Asset Reconstruction Company) who had bought company`s exposure to DBS bank aggregating to Rs 17,374.11 lakhs as on May 31,2018, at Rs 18,000 Lakhs. The dues are to be settled over a period of seven years ending 2025 on deferred payment basis without interest. The Present value of the amount payable to ACRE as on the date of agreement is Rs. 10,725.08 Lakhs and the resultant gain of Rs. 6,649.03 Lakhs has been disclosed as an exceptional item in the Statement of Profit and Loss.

21.4 The Company has defaulted in repayment of Loans and interest in respect of the following:	**Principal/ Interest**	**Period of Delay**	**Amount of default for the year ended March 31, 2019**
Term Loans from Banks:			
Central Bank of India	Principal Paid Subsequently	3 days	154.75
	Principal Paid Subsequently	39 days	154.75
	Principal Paid Subsequently	75 days	154.75
	Interest Paid Subsequently	Ranging between 18 to 81 days	1,491.22

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

22	Other financial liabilities	As at 31-Mar-19	As at 31-Mar-18
	Sundry Creditors- Retention	5,690.66	5,955.85
	Total	**5,690.66**	**5,955.85**

23	Long Term Provisions	As at 31-Mar-19	As at 31-Mar-18
	Provision for gratuity	660.69	532.27
	Total	**660.69**	**532.27**

24	Other non-current liabilities	As at 31-Mar-19	As at 31-Mar-18
	Advance from Customers	18,889.16	13,117.80
	Total	**18,889.16**	**13,117.80**

25	Short -term borrowings (Secured)	As at 31-Mar-19	As at 31-Mar-18
	From bank		
	Cash Credit and Overdraft facilities (Refer Note 25.1)	42,192.52	48,226.59
	From others		
	Cash Credit and Overdraft facilities	422.09	444.23
	Buyers Credit - from Banks (Refer Note 25.1)	-	2,482.54
	Finance lease obligations (Refer Note 25.1)	-	10.53
	Total	**42,614.61**	**51,163.89**

25.1 First PariPassu Charge over the pooled assets i.e, all moveable (both fixed, current and non current assets) and immovable assets of the Company, Corporate guarantee of SVL Limited and SVL Trust.

26	Trade payables	As at 31-Mar-19	As at 31-Mar-18
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		
	Acceptances	8,132.94	9,022.70
	Other than Acceptances	23,575.02	22,439.72
	Total	**31,707.96**	**31,462.42**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

26.1 Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

27 Other financial liabilities	**As at 31-Mar-19**	**As at 31-Mar-18**
Current Maturities of Long Term Debts		
- From banks	1,547.50	619.00
- From Others	916.93	44.96
Interest accrued and due on borrowings	-	2,867.69
Unclaimed Dividend	1.27	1.27
Total	**2,465.70**	**3,532.92**

28 Other current liabilities	**As at 31-Mar-19**	**As at 31-Mar-18**
Advance from customers	4,301.00	7,027.94
Statutory dues payable	278.12	1,055.62
Advance Billing	139.95	815.45
Total	**4,719.07**	**8,899.01**

29 Short Term Provisions	**As at 31-Mar-19**	**As at 31-Mar-18**
Provision for gratuity	28.59	22.79
Provision for Compensated Absences	502.26	392.87
Other provisions	2.21	-
Total	**533.06**	**415.66**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

30 Revenue from operations	Year Ended March 31, 2019	Year ended March 31, 2018
Revenue from Engineering and Construction Contracts	70,953.74	58,292.23
Other operating Revenue		
Company's share in profit of Integrated Joint Ventures	259.39	1.54
Management and Technical Fees (Refer Note 44(B))	2,852.57	3,210.56
Total	**74,065.70**	**61,504.33**

31 Other income	Year Ended March 31, 2019	Year ended March 31, 2018
Interest income		
- Margin Money deposits	481.08	1,356.47
- Income Tax Refunds	120.79	-
- Interest income on Financial Assets	6,275.26	8,367.34
Liabilities written back	501.23	673.74
Profit on sale of fixed assets	-	2.66
Miscellaneous income	49.01	132.89
Total	**7,427.37**	**10,533.10**

32 Erection, Construction & Operation Expenses	Year Ended March 31, 2019	Year ended March 31, 2018
Cost of Materials and Labour (Refer Note below)	58,279.60	46,074.10
Other Contract Related Costs	318.02	792.75
Commercial Taxes	-	1,049.83
Total	**58,597.62**	**47,916.68**

32.1 Cost of materials and labour for the year ended March 31, 2019 includes Rs. 21,601.46 Lakhs (Year ended March 31, 2018 - NIL) being proportionate share of cost relating to the Mokul Shriram EPC JV (MSJV) project in Basra, Iraq.

33 Change in Inventories of Contract Work in Progress	Year Ended March 31, 2019	Year ended March 31, 2018
Inventories at the beginning of the year	3,765.57	3,813.96
	3,765.57	3,813.96
Less: Inventories at the end of the year	3,849.24	3,765.57
	3,849.24	3,765.57
Net (decrease) / increase	(83.67)	48.38
Total	**(83.67)**	**48.39**

34 Employee benefits expense	Year Ended March 31, 2019	Year ended March 31, 2018
Salaries, wages, bonus and other allowances	4,342.08	3,659.64
Contribution to Provident and Other funds	321.88	491.98
Contribution to Gratuty (Refer Note 42)	202.68	152.50
Staff welfare expenses	363.04	273.11
Total	**5,229.68**	**4,577.23**

 (Amount in ₹ lakhs, unless otherwise stated)

35 Finance costs	Year Ended March 31, 2019	Year ended March 31, 2018
Interest on Cash Credits	5,098.47	4,885.77
Interest on Term Loans	2,210.72	3,444.97
Interest on financial liabilities measured at Effective Interest Rate	1,077.03	-
Interest Others	1,158.32	2,019.92
Total	**9,544.54**	**10,350.66**

36 Depreciation and amortization expense	Year Ended March 31, 2019	Year ended March 31, 2018
Depreciation(Refer Note 6)	544.38	567.52
Amortization (Refer Note 7)	15.15	16.62
Total	**559.53**	**584.14**

37 Other expenses	Year Ended March 31, 2019	Year ended March 31, 2018
Electricity and water	336.74	655.28
Rates and taxes	30.59	283.37
Rent	255.49	415.14
Repairs and Maintenance:		
Building	14.27	12.27
Plant and Machinery, Equipments	43.46	35.52
Others	17.48	17.22
Auditors' Remuneration (Refer Note 37.1)	30.55	30.55
Bank Charges, Letter of Credit/Guarantee charges	1,061.46	997.19
Travel and conveyance	703.36	947.50
Insurance premium	96.46	302.48
Printing & Stationery	39.87	53.64
Communication, broadband and internet expenses	64.63	62.26
Sitting Fees	5.88	8.80
Consultancy charges	929.17	694.78
Legal Expenses	167.07	128.92
Advertisement	35.95	27.16
Donation	1.73	2.69
Bad debts	179.44	-
Provision for doubtful trade and Other receivables and Loans and Advances	-	731.73
Miscellaneous Expenses	309.84	727.93
Total	**4,323.44**	**6,134.43**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

37.1 The following is the break-up of Auditors remuneration (exclusive of GST)	Year Ended March 31, 2019	Year ended March 31, 2018
As auditor:		
Statutory audit	24.00	20.00
Other matters	6.00	10.00
Reimbursement of expenses	0.55	0.55
Total	**30.55**	**30.55**

38 Exceptional Items		Year Ended March 31, 2019	Year ended March 31, 2018
Interest income on Financial Assets (Refer Note 21.3)		(6,649.03)	-
Advance written off (Refer Note 9.3)	53,013.72		
Less: Transfer from Provision for unexpired credit loss	48,311.07	4,702.65	-
Claim from vendor (Refer Note 54)		2406.35	
Total		**459.97**	-

39 Income Tax

(A) Components of Deferred Tax Assets and Liabilities recognised in Balance Sheet:	Year Ended March 31, 2019	Year ended March 31, 2018
Deferred tax assets		
On Provision for employee benefits	416.37	317.27
On Impairment loss recognised	6,743.43	25,856.76
On Unabsorbed depreciation and carry forward business losses	41,013.89	21,864.19
	48,173.69	**48,038.22**
Deferred tax liabilities		
On Property, Plant and Equipment	549.99	414.52
On Others	-	
	549.99	**414.52**
Deferred tax asset, net	**47,623.70**	**47,623.70**

(B) Reconciliation of deferred tax assets (net):	Year Ended March 31, 2019	Year ended March 31, 2018
Opening balance	47,623.70	48,973.51
Tax asset recognized in Statement of Profit and Loss	-	(1,349.81)
Closing balance	**47,623.70**	**47,623.70**

(C) a) The Company has business losses and unabsorbed depreciation which are allowed to be carried forward and set off against available future taxable income under Income Tax Act, 1961.Against the total unabsorbed business loss of Rs.1,71,133 lakhs available for set off against future profits, Company has recognized deferred tax asset only to the extent of Rs 41,013.89 lakhs(including Rs.19,150 lakhs created during the year) on a loss of Rs. 1,21,133 lakhs which in the opinion of the management is realizable based on the future business plan and estimated future taxable profits of the company.

b) Refer Note 9.3 on reversal of deferred tax asset of Rs.16,881.90 lakhs relating to deferred tax asset on unexpired credit loss provision

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(D) Reconciliation of tax charge		Year Ended March 31, 2019	Year ended March 31, 2018
(a) Profit before tax		**2,861.96**	**1,141.21**
(b) Corporate Tax Rate as per Income Tax Act, 1961		34.94%	34.94%
(c) Tax on Accounting Profit	(c) = (a) * (b)	**999.97**	**398.74**
(d) Tax adjustments			
(i) Tax on share of profit in Joint Operations - Tax on Income Exempt from Tax		-	16.28
(ii) Tax effect on impairment losses recognised and on which deferred tax asset is not recognised		-	599.32
(iii) Tax effect of losses of current year on which no deferred tax benefit is recognised		(197.67)	(105.11)
(iv) Tax effect of various other items		(802.30)	(8.29)
(v) Effect of difference in tax rates of subsidiaries operating in other jurisdiction		-	449.77
Total effect of Tax Adjustments (Sum of (i) to (iv))		**(999.97)**	**951.97**
(e) Tax expenses recognised during the year	(e) = (c) + (d)	-	1,350.71
(f) Effective Tax Rate	(f) = (e)/(a)	**-**	**118.36%**

(E) 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.

40. Basic and Diluted Earnings Per Share (EPS) computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings Per Share":		Year Ended March 31, 2019	Year ended March 31, 2018
Basic EPS			
Profit/(Loss) after Tax as per Accounts (₹ lakhs)	A	2,875.91	1,132.44
Weighted Average Number of Equity Shares Outstanding	B	9,715.29	9,582.06
Basic EPS (₹)	A/B	**0.30**	**0.12**
Diluted EPS			
Profit/(Loss) after Tax as per Accounts (₹ lakhs)	A	2,875.91	1,132.44
Weighted Average Number of Equity Shares Outstanding	B	9,715.29	9,582.06
Diluted EPS (₹)	A/B	**0.30**	**0.12**

41	Disclosures pursuant to Ind AS 11 "Construction Contracts":	Year Ended March 31, 2019	Year ended March 31, 2018
1	Contract revenue recognised for the financial year	70,953.74	58,292.23
2	Aggregate amount of Contract costs incurred and recognized profits (less recognized losses) upto the reporting date	58,513.95	47,965.07
3	Advances received for contracts in progress	23,190.16	20,145.74
4	Retention amount by customers for contracts in progress	30,825.57	27,683.07
5	Gross amount due from customers for contract work (Asset)	88,897.39	76,483.14
6	Gross amount due to customers for contract work (Liability)	139.95	815.45

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

42 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss	**Year Ended March 31, 2019**	**Year ended March 31, 2018**
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 34)	321.88	491.98

(B) Defined benefit plans (Unfunded)

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Investment risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2019 by Mr. S. Krishnan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

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

i) **Actuarial assumptions**	**Year Ended March 31, 2019**	**Year ended March 31, 2018**
Discount rate (per annum)	7.58%	7.71%
Rate of increase in Salary	5.00%	5.00%
Expected average remaining working lives of employees (years)	Ind. (2006-8) table	Ind. (2006-8) table
Attrition rate	3.00%	3.00%

ii) **Changes in the present value of defined benefit obligation**	**Gratuity**		**Long Term Compensated Absences**	
	2018-19	**2017-18**	**2018-19**	**2017-18**
Present value of obligation at the beginning of the year	555.06	467.06	392.88	431.42
Interest cost	45.89	33.71	29.22	24.50
Past service cost	-	-	-	-
Current service cost	156.52	118.79	1,032.28	257.48
Curtailments	-	-	-	-
Settlements	-	-	-	-
Benefits paid	(35.69)	(5.46)	(18.45)	(93.96)
Actuarial gain on obligations	(32.50)	(59.04)	(933.66)	(226.56)
Present value of obligation at the end of the year*	**689.28**	**555.06**	**502.27**	**392.88**

*Included in provision for employee benefits (Refer notes 23 and 29)

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

iii) Expense recognized in the Statement of Profit and Loss	Gratuity		Long Term Compensated Absences	
	2018-19	2017-18	2018-19	2017-18
Current service cost	156.52	118.79	1,032.28	257.48
Past service cost	-	-	-	-
Interest cost	45.89	33.71	29.22	24.50
Expected return on plan assets	-	-	-	-
Actuarial gain on obligations	(32.50)	(59.04)	(933.66)	(226.56)
Settlements	-	-	-18.44	-
Curtailments	-	-	-	-
Total expenses recognized in the Statement Profit and Loss	**169.91**	**93.47**	**109.40**	**55.42**

iv) Assets and liabilities recognized in the Balance Sheet:	Gratuity		Long Term Compensated Absences	
	2018-19	2017-18	2018-19	2017-18
Present value of unfunded obligation as at the end of the year	(689.28)	(555.06)	(502.27)	(392.88)
Unrecognized actuarial (gains)/losses	-	-	-	-
Unfunded net liability recognized in Balance Sheet*	**(689.28)**	**(555.06)**	**(502.27)**	**(392.88)**
*Included in provision for employee benefits (Refer notes 23 and 29)				

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Impact on defined benefit obligation	Year Ended March 31, 2019
Discount rate	
0.5% increase	(3.07%)
0.5% decrease	3.28%
Rate of increase in salary	
0.5% increase	3.28%
0.5% decrease	(3.07%)

vi) Maturity profile of defined benefit obligation	(in ₹ lakhs)
Period	31-Mar-19
By the end of the First Year	210.33
Between Year 1 and Year 2	40.75
Between Year 2 and Year 3	37.61
Between Year 3 and Year 4	36.84
Between Year 4 and Year 5	10.84
Between Year 5 and Year 10	544.54

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

43 Disclosure in respect of leases pursuant to Indian Accounting Standard (Ind AS) 17, "Leases"

Operating leases where Company is a lessee:

The company has operating lease arrangements primarily for office premises, the lease period of which is about 10 years. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹ 255.49 lakhs (31 March 2018: ₹ 415.04 lakhs) included in Note 37. The future expected minimum lease payments under operating leases are given below. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation.

Future minimum rentals payable under non-cancellable operating leases are, as follows:	**31-Mar-19**	**31-Mar-18**
Within one year	112.59	112.59
After one year but not more than five years	250.70	363.30
More than five years	-	-
Total	**363.29**	**475.89**

Yearwise future minimum lease rental payments on contracts:	**As at 31-Mar-19**		**As at 31-Mar-18**	
	Total Minumum Lease Payments	Present Value of Minimum Lease Payments	Total Minumum Lease Payments	Present Value of Minimum Lease Payments
Within one year	6.35	5.99	3.54	3.38
After one year but not more than five years	4.50	3.81	20.96	18.24
More than five years	-	-	-	-
Total	**10.85**	**9.80**	24.50	21.62
Less: Future Finance Charges	1.05	-	2.88	-
Present Value of Minimum lease payments	**9.80**	**9.80**	**21.62**	**21.62**

44 Disclosure of Related Parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(A) List of related parties and description of relationship as identified and certified by the Company:

Entities exercising significant influence over the Company
SVL Limited

Subsidiary
Shriram EPC FZE, Sharjah

Step Down Subsidiary
Shriram EPC Arkan LLC

Subsidiary of Entities exercising significant influence over the Company
Shriram SEPL Composites Private Limited
Bharat Coal Chemicals Limited (BCCL)

Enterprises under the joint control of the Entities exercising significant influence over the Company:
Leitwind Shriram Manufacturing Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

Associates
Haldia Coke and Chemicals Private Limited.
Ennore Coke Limited (Subsidiary of Haldia Coke and Chemicals Private Limited).
Wellman Coke India Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)

Key management personnel
T.Shivaraman - Managing Director
M.Amjad Shariff - Joint Managing Director

Other enterprises under the control of the key management personnel
Orient Green Power Company Limited
Bharath Wind Farm Limited
Clarion Windfarms Private Limited
Beta Wind Farm Private Limited
Orient Eco Energy Private Limited

Joint Operations
Larsen & Toubro Limited Shriram EPC JV
Shriram EPC Eurotech Environmental Pvt Ltd - JV
SEPC DRS ITPL JV
Mokul Shriram EPC JV

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

		31-Mar-19	31-Mar-18
(i)	**Entities exercising significant influence over the Company**	**31-Mar-19**	**31-Mar-18**
	Sale consideration on transfer of advances / receivables (Also refer note 9.3 and 38)	25,000.00	-
	Loan Received (Net)	-	2,991.68
(ii)	**Subsidiary**		
	Progressive billings/Revenue	1,352.00	3,245.39
	Management Fees	2,413.35	2,300.01
	Expenses incurred by the party	-	57.06
(iii)	**Step Down Subsidiary**		
	Progressive billings/Revenue	5.62	-
	Management Fees	439.22	910.55
	Expenses incurred by the party	-	10.57
(iv)	**Subsidiary of Entities exercising significant influence over the Company**		
	Shriram SEPL Composites Private Limited		
	Progressive billings/Revenue	1.21	-
	Purchases of Goods and Services	256.87	512.21
	Expenses incurred and recoverable	41.21	5.76

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(v) **Enterprises under the joint control of the Entities exercising significant influence over the Company:**		
Leitwind Shriram Manufacturing Private Limited		
Transfer of Current Assets and Current Liabiltites (Net)		-
Expenses incurred and recoverable	22.31	37.31
Purchases of Goods and Services	0.59	
(vi) **Associates**		
(a) Ennore Coke Limited		
Expenses incurred	-	11.58
(b) Haldia Coke and Chemical Limited and Ennore Coke Limited		
Loss on transfer of advances / receivables (Refer Note 9.3)	4,702.65	-
(vii) **Key Managerial Personnel (KMP)**		
Compensation of key managerial personnel		
T.Shivaraman	60.15	60.41
M.Amjad Shariff	60.15	61.12
(viii) **Other enterprises under the control of the key management personnel**		
Orient Green Power Company Limited		
Expenses incurred and recoverable	31.30	14.76
(ix) **Joint Operations**		
(a) Larsen & Toubro Limited Shriram EPC JV		
Company's share in profit of Integrated Joint Ventures	259.39	1.54
Progressive billings / Revenue	231.52	103.59
(b) Shriram EPC Eurotech Environmental Pvt Ltd - JV		
Progressive billings / Revenue	1,821.83	566.95
(c) SEPC DRS ITPL JV		
Progressive billings / Revenue	995.92	5,696.21
(d) Mokul Shriram EPC JV		
Progressive billings / Revenue	19,549.70	-

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(C) **Amount due (to)/from related party as on:**

(i) **Particulars**	**31-Mar-19**	**31-Mar-18**
Advances / (Borrowings):		
SVL Limited	3,936.03	(1,482.57)
Leitwind Shriram Manufacturing Private Limited (Net of Provision for Expected Credit Loss of ₹ 9,141.70 Lakhs (March 31, 2018: ₹ 9,291.35 Lakhs)	3,815.40	3,984.49
Haldia Cokes & Chemicals Private Limited (Net of Provision for Expected Credit Loss of ₹ 0 (March 31, 2018: ₹ 30,925.88 Lakhs)	-	17,907.12
Ennore Coke Limited (Net of Provision for Expected Credit Loss of ₹ 0 Lakhs (March 31, 2018: ₹ 18,439.44 Lakhs)	-	10,735.21
Bharat Wind Farm Limited	5.76	26.12
Orient Green Power Company Limited	-	20.42
Receivables /(Payables):		
Leitwind Shriram Manufacturing Private Limited	4.134.15	3,984.49
Shriram EPC FZE, Sharjah	(1,029.50)	1,386.55
Shriram EPC Arkan LLC	1,272.14	899.98
Orient Green Power Company Limited	25.15	53.08
Shriram EPC Eurotech Environmental Pvt Ltd - JV	(163.62)	(412.53)
SEPC DRS ITPL JV	627.34	397.17
Larsen & Toubro Limited Shriram EPC JV	112.89	16.26
Haldia Coke and Chemicals Private Limited	-	16.92
Ennore Coke Limited	-	33.10
Beta Wind Farm Private Limited	1,381.84	1,403.40
Wellman Coke India Limited	-	78.90
Shriram SEPL Composites Private Limited	611.81	604.32
Mokul Shriram EPC JV	1998.00	-
(ii) Corporate Guarantees given by the Company		
Orient Green Power Company Limited	-	1,600.00

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

45 Disclosure as per regulation 34(3) and 53(F) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015:

45.1 Maximum amount outstanding at any time during the year:

Particular	31-Mar-19	31-Mar-18
Subsidiary		
Shriram EPC FZE, Sharjah	3,150.72	3,150.72
Step Down Subsidiary		
Shriram EPC Arkan LLC	1,339.19	910.55
Associates		
Haldia Coke and Chemicals Private Limited	48,850.50	48,850.50
Ennore Coke Limited	29,180.73	29,180.73
Wellman Coke India Limited	78.90	78.90

45.2 Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013 :

Nature of Transaction	31-Mar-2019	31-Mar-2018	Nature of relationship	Purpose for which the amount to be utilised
Investments Made:				
Haldia Coke and Chemicals Private Limited	4,007.22	4,007.22	Related Party	To carry on the business of manufacture of Low Ash Metallurgical Coke
Leitwind Shriram Manufacturing Private Limited	407.56	407.56	Related Party	To carry on the manufacture of Wind Energy Generators
Orient Green Power Company Limited	21.82	40.36	Related Party	To carry on the business of Generation of Power
Shriram EPC FZE, Sharjah	24.26	24.26	Related Party	To carry on Engineering, procurement and construction business.
Loans Given:				
Leitwind Shriram Manufacturing Private Limited	4,134.15	3,984.49	Related Party	Business needs and contingencies
Orient Green Power Company Limited	25.15	20.42	Related Party	Business needs and contingencies

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

46 Segment reporting

The Chief Operating Decision Maker (CODM) reviews the operations of the Company for the year ended March 31, 2019 as one operating segment being Construction Contracts. Hence no separate primary segment information has been furnished herewith as required by Ind AS 108, "Operating segment". However, Geographical Segments being secondary segments are disclosed below :

Particulars	31-Mar-19	31-Mar-18
Rest of the World		
Revenue	26,169.90	10,879.67
Assets	10,423.51	5,235.94
	-	-
India		
Revenue	47,895.80	50,624.66
Assets	243,310.79	260,940.59
Capital Expenditure	443.52	80.81

47 Expenditure in Foreign Currency

Particulars	2018-19	2017-18
Professsional & Consultancy Fees	1.26	45.57
Material Consumed in Execution of Engineering Contracts	3182.04	325.21
Erection, Construction & Operation Exp	32.09	14.35
Travelling & Conveyance	80.21	68.45
Others	3.96	34.39
Total	**3299.56**	**487.97**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

48 Fair Value Measurement

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

31-Mar-2019

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value thorugh Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	8	-	-	-	38.65	38.65	21.82	-	-	**21.82**
Financial Assets not Measured at Fair Value*										
Investments	8	-	-	-	90.39	90.39	-	-	90.39	**90.39**
Loans	9	17,675.67	-	-	-	17,675.67	-	-	-	**-**
Trade Receivables	10 &14	59,677.63	-	-	-	59,677.63	-	-	-	**-**
Cash and Cash Equivalents	15	944.26	-	-	-	944.26	-	-	-	**-**
Other Bank balances	16	8,116.89	-	-	-	8,116.89	-	-	-	**-**
Other financial assets	10 &17	6,015.11	-	-	-	6,015.11	-	-	-	**-**
Total		**92,429.56**	**-**	**-**	**-**	**92,558.60**	**21.82**	**-**	**90.39**	**112.21**
Liabilities										
Financial Liabilities not Measured at Fair Value*										
Non Current Borrowings	21	-	-	20,645.33	-	20,645.33	-	-	-	-
Current Borrowings	25	-	-	42,614.61	-	42,614.61	-	-	-	-
Trade payables	26	-	-	31,707.96	-	31,707.96	-	-	-	-
Other financial liabilities	22 & 27	-	-	8,156.36	-	8,156.36	-	-	-	-
Total		**-**	**-**	**103,124.26**		**103,124.26**	**-**	**-**	**-**	**-**

for the year ended March 31, 2019 (Amount in ₹ lakhs, unless otherwise stated)

31-Mar-2018

Particulars	Note	Carrying Amount					Fair Value			
		Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value thorugh Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	8	-	-	-	38.65	-	40.36	-	-	**40.36**
Financial Assets not Measured at Fair Value*										
Investments	8	-	-	-	90.39	-	-	-	90.39	**90.39**
Loans	9	40,625.03				40,625.03				
Trade Receivables	10 &14	55,857.34	-	-	-	55,857.34	-	-	-	**-**
Cash and Cash Equivalents	15	2,125.64	-	-	-	2,125.64	-	-	-	**-**
Other Bank balances	16	3,697.92	-	-	-	3,697.92	-	-	-	**-**
Other financial assets	10 &17	12,765.19	-	-	-	12,765.19	-	-	-	**-**
Total		**115,071.12**	**-**	**-**	-	**115,071.12**	**40.36**	**-**	**90.39**	**130.75**
Liabilities										
Financial Liabilities not measured at fair value*										
Non Current Borrowings	21	-	-	28,164.58	-	28,164.58	-	-	-	-
Current Borrowings	25	-	-	51,163.89	-	51,163.89	-	-	-	-
Trade payables	26	-	-	31,462.42	-	31,462.42	-	-	-	-
Other financial liabilities	22 & 27	-	-	9,488.77	-	9,488.77	-	-	-	-
Total		**-**	**-**	**120,279.66**		**120,279.66**	**-**	**-**	**-**	**-**

* The company has not disclosed the fair value for Financial instruments mentioned above because their carrying amounts are a reasonable approximation of fair value.

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

49 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because ofchanges in market interest rates. The Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

The net exposure to foreign currency in respect of recognized financial assets, recognized financial liabilities and derivatives is as follows:

a) Forward exchange contracts entered into by the Company and outstanding as on March 31, 2019 - Nil (March 31, 2018 - Nil)

b) Foreign Currency exposure

Particulars	31-Mar-19		
	Currency	Amount in Foreign Currency (In Lakhs)	In ₹ lakhs
Bank Balances	IQD	2.43	0.14
	USD	0.07	4.75
Trade Payables (including Payables on purchase of fixed assets)	USD	1.20	77.88
	EUR	45.71	3,528.78
	SGD	0.06	3.05
Trade and Other Receivables (Net of Advances)	USD	75.83	5,139.73

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	31-Mar-18		
	Currency	Amount in Foreign Currency (In Lakhs)	In ₹ lakhs
Bank Balances	IQD	2.69	0.13
	USD	0.16	10.93
Buyers Credit	EURO	30.84	2482.54
Trade Payables (including Payables on purchase of fixed assets)	USD	22.73	1,481.07
	AUD	0.36	17.88
	EUR	14.02	1,128.69
	SGD	0.01	0.74
	GBP	0.03	2.71
	AED	0.00	0.06
	IQD	226.41	12.44
	KWD	0.00	0.26
Trade and Other Receivables	USD	69.92	4,556.49
	EUR	5.84	469.86
	AUD	9.33	600.11

(B) Credit risk

The Company's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

The Company provides for doubtful receivables/advances and expected credit loss based on 12 months and lifetime expected credit loss basis for following financial assets:

31-Mar-19

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	39,628.99	(5,207.55)	34,421.44
Unbilled Revenue	92,969.75	(8,028.38)	84,941.37
Advances to Suppliers	9,264.08	(1,640.30)	7,623.78

31-Mar-18

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	43,367.79	(5,389.50)	37,978.29
Unbilled Revenue	76,891.54	(9,728.82)	67,162.72
Advances to Suppliers	14,509.71	(1,640.30)	12,869.41

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

Reconciliation of Provision and Expected Credit Loss - Other financial assets

Particulars	Trade receivables	Unbilled revenue	Advances to suppliers
Provision and Expected Credit Loss on March 31, 2018	**5,389.50**	**9,728.82**	**1,640.30**
Allowance for Doubtful Debts		-	-
Interest income on Financial Assets	(181.94)	(1,700.44)	-
Provision and Expected Credit Loss on March 31, 2019	**5,207.56**	**8,028.38**	**1,640.30**

(C) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cashand by having access to funding through an adequate amount of committed credit lines. Given the need to fund diverse projects, and to meet the debt servicing obligations of the Company, the Company maintains flexibility in funding through committed credit lines, short term borrowings and trade receivables. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections, assessment of maturity profiles of financial assets and financial liabilities including debt financing plans.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31-Mar-19					
Short term borrowings	-	42,614.59	-	-	42,614.59
Long-term borrowings	-	-	20,645.33	-	20,645.33
Trade payables	-	31,707.95	-	-	31,707.95
Other financial liability	-	2,465.70	-	-	2,465.70
	-	**76,788.24**	**20,645.33**	**-**	**97,433.57**
31-Mar-18					
Short term borrowings	-	51,163.89	-	-	51,163.88
Long-term borrowings	548.56	1,645.68	23,882.30	2,088.04	28,164.58
Trade payables	-	31,462.42	-	-	31,462.42
Other financial liability	-	3,532.92	-	-	3,532.92
	548.56	**87,804.91**	**23,882.30**	**2,088.04**	**114,323.81**

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors Net Debt to Capital ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of term loans and cash credits. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

Particulars		31-Mar-19	31-Mar-18
Total equity	(i)	**125,808.05**	**122,932.13**
Total debt	(ii)	65,724.36	79,992.43
Cash and Cash Equivalents	(iii)	944.26	2,125.64
Net Debt	(iv) = (ii) - (iii)	**64,780.10**	**77,866.79**
Total Capital	(v) = (i) + (iv)	190,588.15	200,798.92
Net Debt to Capital ratio	(iv)/ (v)	0.34	0.39

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

51 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

Movement in Provisions:

Particulars	Provision for Expected Credit Losses		Provision for Doubtful Receivables	Provision for Advances
	Current	Non-Current	Non-Current	Current
Opening Balance as on 01-04-2018	**15,118.33**	**74,648.59**	**3,798.11**	**1,640.30**
Add: Additional Provision during the year	-	-	-	-
Less: Interest income on Financial Assets	1,882.39	4,392.88	-	-
Less: Transfer from Provision for unexpired credit loss		48,311.11		
Closing Balance as on 31-03-2019	**13,235.94**	**21,944.60**	**3,798.11**	**1,640.30**

52 Contingent Liabilities And Commitments

(a) Contingent Liabilities :

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
a) Corporate Guarantees issued to a related party	-	1,600.00
b) Claims against the Company not acknowledged as debts	12,251.54	18,394.83
c) Central Excise, Service Tax and customs Duties demands contested in Appeals, not provided for	541.00	808.81
d) Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for	8,841.00	9,395.96
e) Income tax demands contested in Appeals, not provided for	3,668.58	4.56

Management is of the opinion that the Appeals preferred by the Company will be decided in its favour. Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(b) Commitments

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Estimated amount of contracts remaining unexecuted on capital account (net of advances paid) and not provided for	67.25	26.00

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

53 The Company was in the course of executing project for Governorate of Basra, Government of Iraq ('the customer') in the year- along with MSJV (Joint venture partner). There were some delays in commencement of the project due to regulatory compliances. However the said contract was canceled by the Customer during February 2014. During 2018-19, the Governorate of Basra, has revoked the work withdrawal and permitted sub contracting of balance works to a local contractor at Iraq. The construction activities have been resumed by the said contractor and Company has withdrawn all legal cases and recovery of dues. The total amounts due to Company recorded under Trade Receivables, Unbilled revenue of ₹ 7,954.04 lakhs (As at March 31,2018 - ₹ 5,631 Lakhs), ₹ 3,957.66 has been collected and balance amount is considered good and recoverable. The revenue and cost relating to the jointly controlled operations of this project is included in the financials for the year ended March 31, 2019.

54 During the year, the company has settled the vendor claim of Euros 4.86 Million (equivalent to ₹ 3,836 lakhs) was settled for a sum of Euros 3.5 Million (equivalent to ₹ 2765 lakhs) which is payable over a period of three years ending 2021 without interest. Consequently the present value of the sum payable has been charged off for ₹ 2,406 lakhs net of discounting and disclosed as an exceptional item.

55 The Board, duly taking into account all the relevant disclosures made has approved these financial statements in its meeting held on May 27, 2019.

56 The previous year figures have been reclassified/regrouped to wherever necessary

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

T. Shivaraman
Managing Director & CEO
DIN: 01312018

Chandra Ramesh
Director
DIN: 00938694

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

Place: Chennai
Date: May 27, 2019

Independent Auditors' Report to the Members of Shriram EPC Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements 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") and its associate which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, the consolidated Statement of Changes in Equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiary and associate ,except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associate as at March 31, 2019, and consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

Financial Assets Loans (Non current) include Rs 3,815.40 lakhs (March 31, 2018: Rs. 3,677.28 Lakhs) and other trade receivables under "Other Non-current Financial Assets include net amount of Rs 318.75 lakhs (March 31, 2018: Rs. 307.21 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 four 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 9.2 of consolidated financial Statements.

This matter was also qualified in our report on the Consolidated financial statements for the year ended March 31, 2018.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI") and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

a) Note no 55 of the consolidated financial statements regarding erosion of Net worth and continuing losses being incurred by the associate, based on the unaudited financial statements as prepared by the management of that associate for the year ended March 31,2019 and March 31, 2018. As the group's share of losses in the associate has exceeded the cost of Investment in an earlier year, loss for the year has not been considered in the Consolidated financial statements.

b) Note no 11.1 of the Consolidated financial statements regarding dues amounting to Rs. 7,383.60 lakhs (March 31, 2018: Rs 7,106.46 lakhs) in respect of project which is stalled due to statutory delays faced by the customer. Considering the customer's continued efforts to identify alternate options to complete the project, management is of the view that it will be able to realize such dues.

c) Note no 39 of the Consolidated financial statements regarding the carrying value of Deferred Tax Asset (DTA) of Rs. 41,013.89 lakhs recognized over unabsorbed business losses. As explained in the note, based on the future business plan and related projections, the management is confident that taxable profits will be available in the future which can be set off against the carry forward losses.

Our opinion is not modified in respect of these matters.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, Chairman's Statement, Director's Report etc, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, on the recoverability of Financial Assets Loans (Non-Current) and Other Trade Receivables under "Other Non-Current Financial Assets" due from related party. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Provision for impairment losses against loan and account receivables:	
Key Audit Matter	***How the Key Audit Matter was addressed in our audit***
Provision for Expected credit loss Refer to Note 9, 10,11 & 14, 18 in the IND AS Financial statements of 2018-19. Loan and account receivables are measured at amortized cost using the effective interest method. The Expected credit loss provision in respect of loan and account receivables represent management's best estimate of the impairment losses incurred within the loan portfolio at the balance sheet date. The company's loan portfolio consists of loans given to related parties, trade receivables and unbilled revenue. For trade receivables and loan assets that are individually significant, expected credit losses are measured based on the present value of cash shortfalls over the remaining expected lives of the trade receivables and contract assets. The calculation of the collective credit loss provision is inherently judgmental. We have identified provisioning for expected credit loss as a key audit matter as the calculation of credit loss provision is a complex area and requires management to make significant assumptions on customer payment behavior and estimating the level and timing of expected future cash flows.	Our audit procedure in respect of this area included: 1.Understand and assess the management's estimate and related policies used in the expeted credit loss analysis 2.Performed test of key controls to analyse operating effectiveness relating to calculation of impairment provisions. 3.Reviewed the data flows from source systems to spreadsheet-based models to test their completeness and accuracy. 4.For Expected Credit Loss (ECL) of trade receivables and loan assets assessed on individual level by the management, examined on a test check basis, the objective evidence relating to the impairment of trade receivables and loan assets and the key assumptions used in the estimate of the present value of all cash shortfalls and reviewed whether amounts have been recovered after the end of reporting period. 5.Obtained debtors' credit information on sample basis to ascertain whether the classification of debtors is in compliance with the company's policy. 6.Reviewed the management's ageing analysis based on days past due by examining the original documents (such as invoices and bank deposit advices). 7.Recalculated the ECL of each type of trade receivables and loan assets according to the provision matrix.

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

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

a. We did not audit the financial statements of one subsidiary, whose consolidated financial statements reflect total assets of Rs.53,198.05 Lakhs as at March 31, 2019, total revenues of Rs. 50,341.05 Lakhs and net cash flows amounting to Rs. 231.26 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of the subsidiary have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

a. We have sought and, except for the possible effect of the matter described in the Basis for Qualified opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. Except for the effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules,2014.

e. The matter described in Basis of Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company, none of the directors are disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

h. With respect to the adequacy of internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate– Refer Note 52 to the consolidated financial statements.

ii. Except for the possible effect of the matters described in the Basis for Qualified Opinion paragraph above, The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India.

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For MSKA & Associates
Chartered Accountants
(Firm's Registration No. 105047W)

Geetha Jeyakumar
Partner
Membership No. 29409

Place: Chennai
Date: May 27, 2019

Annexure "A" to the Independent Auditor's Report on Even date on the Consolidated Financial Statements of Shriram EPC Limited

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit 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 internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

For MSKA & Associates
Chartered Accountants
(ICAI Firm's Registration No. 105047W)

Geetha Jeyakumar
Partner
Membership No. 029409

Place: Chennai
Date: May 27, 2019

Annexure "B" to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Shriram EPC Limited for the year ended March 31, 2019

[Referred to in paragraph 1 (h) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Shriram EPC Limited on the Consolidated Financial Statements for the year ended March 31, 2019]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of Shriram EPC Limited (hereinafter referred to as "the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Holding company.

Meaning of Internal Financial Controls With reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in the operating effectiveness of the Holding Company's internal financial controls with reference to financial statements as at March 31, 2019 in respect of provisioning of overdue receivables and provisioning of advances outstanding for a period of more than four years, which could potentially result in the Company not recognizing a provision for the said receivables and advances.

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

In our opinion, the Holding Company has, in all material respects, maintained internal financial controls with reference to financial statements as of March 31, 2019, based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company's internal financial controls with reference to financial statements were operating effectively as of March 31, 2019.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 consolidated financial statements of the Company, and the material weakness affects our opinion on the consolidated financial statements of the Company.

For MSKA & Associates
Chartered Accountants
(ICAI Firm's Registration No. 105047W)

Geetha Jeyakumar
Partner
Membership No. 029409

Place: Chennai
Date: May 27, 2019

Consolidated Balance Sheet as at March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 19	As at 31 March 18
ASSETS			
Non-current assets			
Property, plant and equipment	6	5,424.48	5,561.24
Capital work-in-progress		14.84	14.84
Intangible assets	7	48.03	63.18
Financial assets			
Investments	8	87.95	106.49
Loans	9	17,675.67	40,635.69
Trade Receivables	10	25,256.19	17,879.05
Other Financial Assets	10	1,729.92	4,740.27
Deferred Tax Assets (Net)	39	47,623.70	47,623.70
Income Tax Assets (Net)	12	2,394.76	3,018.29
Other Non-Current Assets	11	3,968.43	46,175.41
Total Non-Current Assets		**104,223.97**	**165,818.16**
Current assets			
Inventories	13	3,849.24	3,765.58
Financial assets			
Trade receivables	14	48,482.69	36,353.46
Cash and cash equivalents	15	3,060.04	2,373.38
Other bank balances	16	8,116.89	3,697.92
Other Financial Assets	17	4,285.20	21,426.55
Other Current assets	18	125,103.25	81,669.42
Total Current Assets		**192,897.31**	**149,286.31**
Total Assets		**297,121.28**	**315,104.47**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	97,152.90	97,152.90
Other equity	20	28,894.18	25,812.11
Total Equity		**126,047.08**	**122,965.01**
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	21	20,645.33	28,164.58
Other financial liabilities	22	5,690.66	7,762.17
Provisions	23	660.69	532.27
Other non-current liabilities	24	20,683.41	13,117.79
Total Non-Current Liabilities		**47,680.09**	**49,576.81**
Current liabilities			
Financial liabilities			
Borrowings	25	42,614.60	51,163.89
Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		53,876.32	44,444.77
Other financial liabilities	27	2,465.70	3,532.92
Other current liabilities	28	23,817.73	43,005.41
Provisions	29	619.76	415.66
Total Current Liabilities		**123,394.11**	**142,562.65**
Total Liabilities		**171,074.20**	**192,139.46**
Total Equity and Liabilities		**297,121.28**	**315,104.47**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No : 029409

T. Shivaraman
Managing Director & CEO
DIN: 01312018

Chandra Ramesh
Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

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

(Amount in ₹ lakhs, unless otherwise stated)

	Notes	Year Ended 2018-19	Year Ended 2017-18
Income			
Revenue from operations	30	120,195.88	82,886.63
Other income	31	7,433.68	10,535.86
Total income		**127,629.56**	**93,422.49**
Expenses			
Erection, Construction & Operation Expenses	32	100,156.02	66,641.97
Changes in inventories of work-in-progress	33	(83.67)	48.39
Employee benefits expense	34	5,751.52	4,838.49
Finance costs	35	9,544.54	10,373.24
Depreciation and amortization expense	36	566.50	585.76
Other expenses	37	8,089.88	9,793.43
Total expenses		**124,024.79**	**92,281.28**
Profit before exceptional items and tax		3,604.77	1,141.21
Exceptional items	38	(459.97)	-
Profit before tax		**3,144.80**	**1,141.21**
Income tax expense	39		
Current tax		86.22	-
Deferred tax		-	1,350.71
Total income tax expense		**86.22**	**1,350.71**
Profit / (Loss) for the year		**3,058.58**	**(209.50)**
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans (Net of tax)		32.49	59.04
Fair Value of Equity Instruments through OCI (Net of tax)		(18.54)	(2.70)
		13.95	56.34
Other Comprehensive Income for the year		**13.95**	**56.34**
Total Comprehensive Income / (Loss) for the year		**3,072.53**	**(153.16)**
Earnings per share			
Basic earnings per share (₹)		0.32	(0.02)
Diluted earnings per share (₹)		0.32	(0.02)
Face value per equity share (₹)		10.00	10.00
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
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Chandra Ramesh
Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

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

(Amount in ₹ lakhs, unless otherwise stated)

(A) Equity share capital	As at 31-Mar-19		As at 31-Mar-18	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Outstanding at the Beginning of the year	971,529,018	97,152.90	936,967,941	93,696.79
Add: Shares issued during the year	-	-	34,561,077	3,456.11
Outstanding at the End of the year	**971,529,018**	**97,152.90**	**971,529,018**	**97,152.90**

(B) Other equity

	Share Application money pending allotment	Reserve and surplus								Components of Other Comprehensive Income		Total
		Share options outstanding account	Securities premium account	General reserve	Capital reserve	Retained earnings	Share of reserve from an associate	Foreign Currency Monetary Item Translation Diff Account	Non Controlling Interest	Re-measurement gains/ (losses) on defined benefit plans (Net of Tax)	Equity instruments through Other Comprehensive Income	
Balance as at 1 Apr 2018		0.17	191,225.43	561.75	12.92	(170,821.07)	4,700.99	(64.57)	126.89	73.46	(3.85)	25,812.12
Loss for the year	-	-	-	-	-	3,058.58	0.00	0.89	8.64	-	-	3,068.11
Other comprehensive income	-	-	-	-	-					32.49	(18.54)	13.95
Total other comprehensive loss for the year	**-**	**0.17**	**191,225.43**	**561.75**	**12.92**	**(167,762.49)**	**4,700.99**	**(63.68)**	**135.53**	**105.95**	**(22.39)**	**28,894.18**
Issue of Equity shares	-	-		-	-	-	-	-	-	-	-	0.00
Balance as at 31 Mar 2019	**-**	**0.17**	**191,225.43**	**561.75**	**12.92**	**(167,762.49)**	**4,700.99**	**(63.68)**	**135.53**	**105.95**	**(22.39)**	**28,894.18**

The accompanying notes are an integral part of the financial statement

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

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Chandra Ramesh
Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

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

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Year ended 2018-19	Year ended 2017-18
Cash flow from operating activities		
Profit before tax	3,144.80	1,141.21
Adjustments for:		
Depreciation and amortization expenses	566.50	585.76
Provision for Gratuity	134.22	88.00
Provision for Compensated Absences	109.39	(38.55)
Fair valuation of Investments	-	2.70
Provision for doubtful trade and Other receivables and Loans and Advances	-	731.73
Finance cost	12,509.57	11,370.42
Interest income	(6,811.66)	(9,723.81)
Liabilities written back	(501.23)	(673.74)
(Gain)/ loss on sale of fixed assets	-	(2.66)
Operating profit before working capital changes	**9,151.59**	**3,481.07**
Changes in working capital		
Increase/(Decrease) in trade payables	9,431.55	48.39
Decrease/ (Increase) in inventories	(83.66)	4,114.02
Decrease/ (Increase) in trade receivables	(19,506.37)	(3,553.59)
Decrease/ (Increase) in loans	22,960.02	(1,025.64)
Increase/(Decrease) in other current liabilities	(19,187.67)	12,227.53
Increase/(Decrease) in other non current liabilities	7,565.62	(37,906.34)
Increase/(Decrease) in Short Term provisions	134.22	19,481.51
Increase/(Decrease) in Long Term provisions	109.39	3,577.00
Increase/(Decrease) in other financial liabilties	(357.05)	(518.14)
Decrease/ (Increase) in other financial assets	20,596.98	(33.61)
Decrease/ (Increase) in other current assets	(43,433.83)	83.06
Decrease/ (Increase) in non-current assets	42,206.98	3,388.64
Cash generated used in operations	**29,587.78**	**3,363.90**
Income tax paid (Net)	623.53	(605.63)
Net cash flows used in operating activities (A)	**30,211.31**	**2,758.27**
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(499.24)	(124.04)
Movement in Bank balances not considered as Cash and cash equivalents (Net)	(4,418.97)	844.92
Proceeds from sale/ disposal of fixed assets	84.70	7.57
Net proceeds from fixed deposits		
Interest received	1,019.26	1,406.56

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

Particulars	Year ended 2018-19	Year ended 2017-18
Net cash flow from investing activities (B)	**(3,814.25)**	**2,135.01**
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	-	3,500.00
Receipt / (Refund) of Share application money	-	0.00
Proceeds from Short term borrowings(net)	(8,549.26)	1,960.39
Repayment of Long term borrowings	(7,519.25)	(814.54)
Movement in current maturities of long term borrowings		
Interest and Finance Charges Paid	(9,641.88)	(12,709.01)
Net cash flow from financing activities (C)	**(25,710.39)**	**(8,063.17)**
Net increase in cash and cash equivalents (A+B+C)	686.66	(3,169.89)
Cash and cash equivalents at the beginning of the year	2,373.38	5,543.27
Cash and cash equivalents at the end of the year	3,060.40	2,373.38
Cash and cash equivalents comprise (Refer note 10)		
Cash and cash equivalents as per Balance Sheet	11,176.93	6,071.30
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	8,116.89	3,697.92
Total cash and bank balances at end of the year	3,060.04	2,373.38
Summary of significant accounting policies	2	

The accompanying notes are an integral part of thefinancial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

Geetha Jeyakumar
Partner
Membership No : 029409

T. Shivaraman
Managing Director & CEO
DIN: 01312018

Chandra Ramesh
Director
DIN: 00938694

Place: Chennai
Date: May 27, 2019

K.Suresh
Company Secretary

R S Chandrasekharan
Chief Financial Officer

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

1 General Information

Shriram EPC Limited (the “Company” or “SEPC”) which is a part of the Shriram EPC Group has diverse interests across Project Engineering & Construction. The company provides end-to-end solutions to engineering challenges, offering multi disciplinary design, engineering, procurement, construction and project management services. SEPC is focused on providing turnkey solutions for ferrous & non ferrous, cement, aluminum, copper and thermal power plants, water treatment & transmission, renewable energy, cooling towers & material handling.

Financial statements include company’s share of assets, liabilities, income and expenses relating to jointly controlled operations of below entities:

- Larsen & Toubro Limited Shriram EPC JV
- Shriram EPC Eurotech Environmental Pvt Ltd - JV
- SEPC DRS ITPL JV
- Mokul Shriram EPC JV

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared using significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind AS as summarised in Note 5.

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

(b) Basis of measurement

“The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value (Refer Accounting Policy No. 2.15 on financial instruments).

The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost.”

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The normal operating cycle of the entity for Construction contracts is the duration of 2 to 3 years depending on each contract. For all other segments, the normal operating cycle has been considered as a duration of 12 months.

(c) Presentation of financial statements

“The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash flows”. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimal places.”

(d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management’s evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

(e) Interests in Joint Operations

"When the Company has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Company recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Holding Company and its subsidiaries are combined for consolidation."

2.2 Property, plant and equipment (PPE)

Property, plant and equipment is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE are stated at original cost net of taxes/duty credits availed , if any less accumulated depreciation and cumulative impairment, if any. PPE acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

For transition to Ind AS, the Company has elected to adopt as deemed cost , the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1,2016. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	
Leasehold improvement*	Lease period or life of asset whichever is lower
Plant & Machinery	15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers	
- Servers	6 years
- End user devices such as laptops, desktops	3 years

* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate. Freehold land is not depreciated.

2.3 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost, net of tax/duty credits availed, if any less accumulated amortization and cumulative impairment. Admininstrative and other general overhead expenses that are specifically attributable to the acquisition of intangible assets are allocated and capitalized as part of cost of the intangible asset.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its all intangible assets recognised as at 1 April 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Technical know how	5 to 10 years
Computer Software	5 years

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and Intangible Assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and Intangible Assets are tested for impairment, so as to determine the impairment loss, if any. Goodwill and Intangible Assets with indefinite life are tested for impairment each year.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

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

(b) Transactions and balances

"On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated."

2.5 Fair value measurement

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS and certain items of property, plant and equipment that were revalued in earlier years in accordance with the I-GAAP principles. The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost.

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company."

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement.

"Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 : inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 : inputs are inputs, other than quoted prices included in level 1, that are observable for

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

the asset or liability, either directly or indirectly; and

- Level 3 : inputs are unobservable inputs for the valuation of assets/liabilities"

2.6 Revenue Recognition

A. The Company has adopted IND As 115 " Revenue from Contracts with Customers" effective April 1,2018. IND As 115 supersedes IND As 11 " Construction Contracts" and IND AS 18 " Revenue". The company has applied IND As 115 and its application did not have any significant impact on recognition and measurement of revenue and related items in the financial results including the retained earnings as at April 01, 2018.

B. Revenue is recognised based on the nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated rebates and other similar allowances.

C. Revenue from construction contracts/project related activity and contracts for supply/ commissioning of complex plant and equipment is recognised as follows:

Fixed price contracts: Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable the such cost will be recoverable . When the outcome of the contract is ascertained reliably,contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to date , to the total estimated contracts cost.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

(i) The amount of revenue can be measured reliably;

(ii) It is probable that the economic benefits associated with the contract will flow to the company;

(iii) The stage of completion of the contract at the end of the reporting period can be measured reliably; and

(iv) The costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amounts received before the related work is performed are disclosed in the Balance sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customer are disclosed in the Balance sheet as trade receivables. The amount of retention money held by the customers is disclosed as part of other current assets and is reclassified as trade receivables when it becomes due for payment.

Revenue from contracts from rendering engineering design services and other services which are directly related to construction of an asset is recognised on the same basis as stated in (B) above.

Other Operational Revenue

Other Operational Revenue represents income earned from activities incidental to the business and is recognized when the right to receive income is established as per the terms of contract.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted in the period in which the right to receive the same is established.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

"Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority."

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.9 Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

2.10 Impairment of non-financial assets

"The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit")."

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

2.12 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to subsidiary, associate and joint venture companies; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.13 Cash and cash equivalents

"Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand, cheques in transit and demand deposits with banks.

For the purposes of the cash flow statement, Cash and Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value."

2.14 Statement of Cash Flows:

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of :

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and

iii. all other items for which the cash effects are investing or financing cash flows.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows."

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

The company has currently excercised the irrevocable option to present in Other comprehensive Income , subsequent changes in the Fair value of Equity Instruments. Such an election has been made on instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

"A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized."

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.16 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

"Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee."

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

2.17 Contributed equity

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Earnings Per Share

"Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares."

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

4 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes will reflect in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Defined benefit plans (gratuity benefits and leave encashment)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

(c) “Construction Contracts

Recognizing construction contract revenue requires significant judgement in determining actual work performed and the estimated costs to complete the work, provision for rectification costs, variation claims etc”

(d) “Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carryforwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.”

5 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs (“MCA”), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

a. Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

b. Ind AS 12 - Income taxes (amendments relating to uncertainty over income tax treatments and income tax consequences on dividend distribution)”

“On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The effective date for adoption of Ind AS 12 amendments are annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The Company is currently evaluating the effect of this amendment on the financial statements.”

c. **Ind AS 19- Plan amendment, curtailment or settlement (Amendment):"**

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements. The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The company does not expect this amendment to have any significant impact on its financial statements.

d. **Ind AS 23 – Borrowing Costs (Amendment):"**

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 23, Borrowing Costs. The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not have any impact from this amendment.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

6 Property plant and equipment - Current Year:

	Gross block				Depreciation				Net block	
Block of Assets	As at 1-Apr-18	Additions/ Adjustments	Deductions/ Adjustments	As at 31-Mar-19	As at 1-Apr-18	For the year	Deductions/ Adjustments	As at 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
Owned assets										
Freehold land	241.50	-	-	241.50	-		-	-	241.50	241.50
Leasehold Improvements	318.15	-	-	318.15	111.44	37.78		149.22	168.93	206.71
Buildings	152.15	1.21	2.25	151.11	13.65	5.62	2.25	17.02	134.09	138.50
Plant and Machinery - (Refer to Note 6.1 below)	5,704.86	432.17	155.91	5,981.12	909.09	426.68	60.78	1,274.99	4,706.13	4,795.77
Furniture and Fixtures	60.16	40.89	1.84	99.21	17.02	11.30	1.22	27.10	72.11	43.14
Office Equipment	38.57	0.94	16.62	22.89	25.39	25.17	27.67	22.89	-	13.18
Computers	111.77	24.03	4.08	131.72	47.93	29.36	4.08	73.21	58.51	63.84
Vehicles - (Refer to Note 6.1 below)	74.16	-	-	74.16	15.56	15.37	-	30.93	43.23	58.60
Total	**6,701.32**	**499.24**	**180.70**	**7,019.86**	**1,140.08**	**551.28**	**96.00**	**1,595.36**	**5,424.48**	**5,561.23**

Property plant and equipment - Previous Year:

	Gross block				Depreciation				Net block	
Block of Assets	As at 1-Apr-17	Additions/ Adjustments	Deductions/ Adjustments	As at 31-Mar-18	As at 1-Apr-17	For the year	Deductions/ Adjustments	As at 31-Mar-18	As at 31-Mar-18	As at 31-Mar-17
Owned assets										
Freehold land	241.50	-	-	241.50	-		-	-	241.50	241.50
Leasehold Improvements	318.15	-	-	318.15	71.98	39.46	-	111.44	206.71	246.17
Buildings	152.15	-	-	152.15	8.50	5.15	-	13.65	138.50	143.65
Plant and Machinery - (Refer to Note 6.1 below)	5,656.91	47.95	-	5,704.86	445.78	463.31	-	909.09	4,795.77	5,211.13
Furniture and Fixtures	60.05	0.11	-	60.16	8.71	8.31	-	17.02	43.14	51.34
Office Equipment	36.97	1.60	-	38.57	14.97	10.42	-	25.39	13.18	22.00
Computers	56.13	55.64	-	111.77	22.43	25.50	-	47.93	63.84	33.70
Vehicles - (Refer to Note 6.1 below)	77.18	18.74	21.76	74.16	17.04	15.37	16.85	15.56	58.60	60.14
Total	**6,599.04**	**124.04**	**21.76**	**6,701.31**	**589.41**	**567.52**	**16.85**	**1,140.08**	**5,561.23**	**6,009.63**

(Amount in ₹ lakhs, unless otherwise stated)

6.1 Details of Assets taken under finance lease:

Block of Assets	31-Mar-19	31-Mar-18
Plant and Machinery		
Gross Block	131.59	131.59
Accumulated Depreciation	38.70	25.80
Net Book value	92.89	105.79
Vehicles		
Gross Block	54.14	54.14
Accumulated Depreciation	30.54	20.36
Net Book value	23.60	33.78

7 Intangible assets - Current Year

	Gross block				Depreciation				Net block	
Block of Assets	As at 1-Apr-18	Additions/ Adjustments	Deductions/ Adjustments	As at 31-Mar-19	As at 1-Apr-18	For the year	Deductions/ Adjustments	As at 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
Computer Software	43.12	-	-	43.12	15.11	-	-	15.11	28.01	28.01
Technical Knowhow	54.22	-	-	54.22	19.05	15.15	-	34.20	20.02	35.17
Total	**97.34**	**-**	**-**	**97.34**	**34.16**	**15.15**	**-**	**49.31**	**48.03**	**63.18**

Intangible assets - Previous Year

	Gross block				Depreciation				Net block	
Block of Assets	As at 1-Apr-17	Additions/ Adjustments	Deductions/ Adjustments	As at 31-Mar-18	As at 1-Apr-17	For the year	Deductions/ Adjustments	As at 31-Mar-18	As at 31-Mar-18	As at 31-Mar-17
Computer Software	43.12	-	-	43.12	15.11		-	15.11	28.01	28.01
Technical Knowhow	54.22	-	-	54.22	2.43	16.62	-	19.05	35.17	51.79
Total	**97.34**	**-**	**-**	**97.34**	**17.54**	**16.62**	**-**	**34.16**	**63.18**	**79.80**

8 Financial Assets- Investments (Non Current)

(A) **Investment in Associate - Non Trade**	**As at 31-Mar-19**	**As at 31-Mar-18**
Unquoted		
22,239,167 Equity Shares (Previous year: 22,239,167 Equity Shares) of ₹ 10/- each fully paid up in Haldia Coke and Chemicals Private Limited (Refer Note 8.1 below)	4,007.22	4,007.22
Less: Provision for Diminition in value of Investments	(4,007.22)	(4,007.22)
	-	-
(B) **Investments in Others - Trade - Fair value through Other Comprehensive Income**		
Quoted		
386,526 Equity Shares (Previous year: 386,526 Equity Shares) of ₹ 10/- each fully paid up in Orient Green Power Company Limited	**21.82**	40.36

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

<u>Unquoted</u>		
661,300 Equity shares (Previous year: 661,300 Equity shares) of ₹ 10/- each fully paid in Hexa Wind Farm Private Limited	**66.13**	66.13
4,076,474 Equity shares (Previous year: 4,076,474 Equity Shares) of ₹ 10/- each fully paid up in Leitwind Shriram Manufacturing Private Limited	**407.56**	407.56
Less: Provision for Diminition in value of Investments	**(407.56)**	(407.56)
	-	-
Total	**87.95**	**106.49**
Aggregate book value of:		
Quoted investments	21.82	40.36
Unquoted investments	66.13	66.13
Aggregate amount of impairment in value of Investments	4,414.78	4,414.78

8.1 Of the above, 10,092,344 Equity Shares have been pledged with a lender for monies borrowed by the associate.

9 Non-Current Financial assets - Loans	**As at 31-Mar-19**	**As at 31-Mar-18**
<u>Unsecured, considered good</u>		
Considered Good	29,168.75	102,743.99
Considered doubtful	5,108.10	5,108.10
Less: Provision for Expected Credit Loss	(16,601.18)	(67,216.40)
Total	**17,675.67**	**40,635.69**

9.1 Loans includes due from:	**As at 31-Mar-19**	**As at 31-Mar-18**
i) Private Companies in which directors are Interested:		
Haldia Coke and Chemicals Private Limited (Refer Note 9.3 below)	-	48,833.58
ii) Other Related Parties:		
SVL Limited	3,936.03	-
Ennore Coke Limited (Refer Note 9.3 below)	-	29180.73
Leitwind Shriram Manufacturing Private Limited (Net of Provision for expected credit loss of ₹ 8,436.86 Lakhs (March 31, 2018 - ₹ 8,574.99 Lakhs) (Refer Note 9.2 below)	3,815.40	3,677.28
Shriram EPC Arkan	1,272.14	-
Bharath Wind Farm Limited	5.76	26.12

9.2 Financial Assets Loans (Non Current) includes Rs. 3,815.40 Lakhs (March 31, 2018 - Rs. 3,677.28 Lakhs) and Other Trade Receivables under “Other Non Current Financial Assets” include Rs. 318.75 Lakhs (March 31, 2018 - Rs. 307.21 Lakhs), due from Leitwind Shriram Manufacturing Private Limited (LSML) (a related party). LSML is in the process of restructuring their operations, whereby debts settlement with bankers are being negotiated, improvement in exports with support from Joint venture partner of LSML resulting in manufacturing opportunities , the dues are expected to be recovered earlier than the original repayment plan. Considering the developments the management is confident of realising the dues.

(Amount in ₹ lakhs, unless otherwise stated)

9.3 During the year, advances receivable from an associate company and its subsidiary amounting to Rs. 29,702.65 Lakhs (Net of Unexpired expired credit loss provision of Rs.48,311.07 lakhs) has been sold to the Company's Entities exercising significant influence over the Company for a total consideration of Rs. 25,000 Lakhs along with rights attached to it. Pursuant to this transaction the Company has written off a net amount of Rs 4,702.65 lakhs. Refer Note 38 for disclosure of write off under exceptional item in Statement of Profit and Loss. Consequently, the corresponding deferred tax asset on unexpired credit loss provision amounting to Rs. 16,881.90 Lakhs has been reversed during the year.

10 Other Non-Current Financial assets	**As at 31-Mar-19**	**As at 31-Mar-18**
Trade Receivables - Retention Money		
Considered Good	25,256.19	17,879.05
Considered doubtful	**2,235.38**	2,235.38
Less: Provision for doubtful receivables	**(2,235.38)**	(2,235.38)
	25,256.19	**17,879.05**
Trade Receivables - Others		
Considered Good		-
Considered doubtful	**1,562.72**	1,562.72
Less: Provision for doubtful receivables	**(1,562.72)**	(1,562.72)
	-	-
Deposits	1,253.63	1,250.43
Other receivables (Refer Note 10.1 below)	476.29	3,489.84
	1,729.92	4,740.27
Total	**26,986.11**	**22,619.32**

10.1 Other Receivables includes an amount of ₹ 476.29 Lakhs (March 31, 2018 ₹ 3,489.84 Lakhs and the balance consideration receivable from My Home Industries Limited ("MHIL") towards the value of certain receivables due from Sree Jayajothi Cements Limited ("SJCL") taken over by MHIL pursuant to an agreement dated August 11, 2013 entered into with them. This amount has been deposited in a Joint Escrow Account to be received by the Company after completion of certain formalities as per the above said agreement.

11 Other Non-Current Assets	**As at 31-Mar-19**	**As at 31-Mar-18**
Unbilled Revenue (Also Refer Note 11.1 below)	9,311.86	53,607.59
Less: Provision for Expected Credit Loss	(5,343.43)	(7,432.18)
Total	**3,968.43**	**46,175.41**

11.1 The Company entered into a contract to construct Ammonia plant for Bharath Coal and Chemicals Limited (BCCL) (related party). The project is stalled due to delays in statutory approvals. The total exposure in this project recorded under Unbilled Revenue is ₹ 3,969.34 Lakhs (March 31, 2018 - ₹ 3,692.20 Lakhs) and Contract Work In Progress is ₹ 3,414.26 Lakhs (March 31, 2018 - ₹ 3,414.26 Lakhs). Considering the continued efforts by BCCL in identifying alternate options to complete the project, the viability of the project, management is of the view that BCCL will be in a position to settle company's dues in full on commencement of the project work.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

12 Income Tax Assets (Net)	As at 31-Mar-19	As at 31-Mar-18
Advance Tax (Net of Provision for Tax ₹ 7,260.29 lakhs (March 31, 2018 - ₹ 7,260.29 lakhs))	2,394.76	3,018.29
Total	**2,394.76**	**3,018.29**

13 Inventories	As at 31-Mar-19	As at 31-Mar-18
Work in progress in stock (Valued at lower of cost and net realizable value) (Also Refer Note 11.1 above)	3,849.24	3,765.58
Total	**3,849.24**	**3,765.58**

14 Trade receivables	As at 31-Mar-19	As at 31-Mar-18
Unsecured		
-Considered good	49,082.34	37,135.06
-Considered doubtful	4,607.90	4,607.90
Less: Provision for Expected Credit Losses	(5,207.55)	(5,389.50)
Total	**48,482.69**	**36,353.46**

14.1 Trade Receivables include due from related parties amounting to ₹ 1,818.89 Lakhs (March 31, 2018 - ₹ 4,086.42 Lakhs)

15 Cash and bank balances	As at 31-Mar-19	As at 31-Mar-18
Cash and cash equivalents		
Balances with banks		
In current accounts	2,338.56	595.53
Deposit Account (Original maturity of 3 months or less)	-	57.92
Margin Money (Original maturity of 3 months or less)	712.00	1,719.80
Cash on hand	9.48	0.13
Total	**3,060.04**	**2,373.38**

16 Other Bank Balances	As at 31-Mar-19	As at 31-Mar-18
Unpaid Dividend Account	-	18.69
Deposit Account (Original maturity of more than 3 months)	4,194.40	913.02
Margin Money (Original maturity of more than 3 months)	3,922.49	2,766.21
Total	**8,116.89**	**3,697.92**

17 Other Current Financial assets	As at 31-Mar-19	As at 31-Mar-18
Security deposit	164.34	200.72
Interest receivable	786.86	255.57
Trade Receivable - Retention monies	3,334.00	20,970.26
Total	**4,285.20**	**21,426.55**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

18 Other current assets	As at 31-Mar-19	As at 31-Mar-18
Advances to Employees	93.60	51.63
Balance with Government Authorities	4,512.66	1,473.08
Prepaid Expenses	38.51	45.24
Unbilled Revenue	92,969.75	76,891.54
Less: Provision for Expected Credit Loss	(8,028.38)	(9,728.82)
Other Advances	849.98	50.62
Advances to Suppliers		
-Considered good	34,667.13	12,886.13
-Considered doubtful	1,640.30	1,640.30
Less : Provision for doubtful Advances	(1,640.30)	(1,640.30)
Total	**125,103.25**	**81,669.42**

19 Equity Share capital	As at 31-Mar-19	As at 31-Mar-18
Authorized		
1,050,000,000 (31 March 2018: 1,050,000,000) Equity Shares of ₹ 10 each	105,000.00	105,000.00
	105,000.00	**105,000.00**
Issued, subscribed and paid up		
971,529,018 (31 March 2018: 971,529,018) equity shares of ₹ 10 each fully paid	97,152.90	97,152.90
	97,152.90	**97,152.90**

(a) Reconciliation of Equity shares outstanding at the beginning and at the end of the year

	As at 31-Mar-19		As at 31-Mar-18	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	971,529,018	97,152.90	936,967,941	93,696.79
Add: Issued during the year	-	-	34,561,077	3,456.11
Outstanding at the end of the year	**971,529,018**	**97,152.90**	**971,529,018**	**97,152.90**

(b) Details of shareholders holding more than 5% shares

	As at 31-Mar-19		As at 31-Mar-18	
Name of Shareholder	No of Shares	% holding	No of Shares	% holding
Equity Shares				
SVL Limited	279,391,356	28.76%	279,391,356	28.76%
State Bank of India	125,634,843	12.93%	125,634,843	12.93%
Central Bank of India	93,570,276	9.63%	93,570,276	9.63%
Oriental Bank of Commerce	69,063,261	7.11%	69,109,490	7.11%
IDBI Bank Limited	57,631,183	5.93%	59,631,183	6.14%
Punjab National Bank	55,282,938	5.69%	55,282,938	5.69%

(c) Details of shares held by Promoter - Entities exercising significant influence over the Company

	As at 31-Mar-19		As at 31-Mar-18	
Name of Shareholder	No of Shares	% holding	No of Shares	% holding
SVL Limited	279,391,356	28.76%	279,391,356	28.76%

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(d) There is no Preferential issue of Equity during the year ended March 31, 2019

(e) Preferential issue of Equity during the year ended March 31, 2018

Partiular	No of Shares	Face Value of Rs 10/-	Premium	Total
KPR Investments Private Limited	12,919,896	1,291.99	2208.01	3,500.00
Lender Banks -Conversion of Funded Interest Term Loan (FITL)	10,193	1.02	2.34	3.36
Lender Bank -Conversion of Interest Sacrifice	2,403,425	240.34	722.23	962.57
Lender Banks -Conversion of Working Capital Term Loan (WCTL)	19,227,563	1,922.76	2547.65	4,470.41
Total	**34,561,077**	**3,456.11**	**5,480.23**	**8,936.34**

(f) Terms/rights attached to the shares

The Company has issued equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting rights.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has only one class of share capital, i.e., equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

(g) The Authorised Equity Share Capital has been increased to ₹ 105,000 Lakhs with effect from 4th May 2017.

(h) Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000 for preferential issue proceeds received during March 31,2018 : (₹ Lakhs)

Particulars	Proceeds of Issue	Purpose
KPR Investments Private Limited	3,500.00	Business needs and exigencies
Conversion of FITL	3.36	Conversion of interest on WCTL, into Equity, to reduce cash outflow on account of interest
Conversion of Interest sacrifice	962.57	Conversion of monies already borrowed and fully utilised for business purpose
Conversion of WCTL	4,470.41	Re-compense liability converted into Equity by a lender
Total	**8,936.34**	

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

20 Other equity

(A)	**The Company has preference share capital having a par value of ₹ 100 per share, referred to herein as preference share capital**	**As at 31-Mar-19**	**As at 31-Mar-18**
	Authorized		
	30,000,000 (31 March 2018: 30,000,000) Convertible Preference Shares of ₹ 100 each	30,000.00	30,000.00
	Total	**30,000.00**	**30,000.00**

(B)	**Other equity**	**As at 31-Mar-19**	**As at 31-Mar-18**
	Capital Reserve (Refer Note (iii) below)	12.92	12.92
	Securities premium reserve (Refer Note (i) below)	191,225.43	191,225.43
	General reserve (Refer Note (ii) below)	561.75	561.75
	Deficit in the Statement of Profit and Loss (Refer Note (iv) below)	(167,762.49)	(170,821.07)
	Employee Stock options outstanding account (ESOOA) (Refer Note (v) below)	0.17	0.17
	Re-measurement gains/ (losses) on defined benefit plans (Net of Tax) (Refer Note (vii) below)	105.95	73.46
	Investments FVTOCI Reserve on equity instruments (Refer Note (vi) below)	(22.39)	(3.85)
	Foreign Currency Monetary Item Translation Diff Account (Refer Note (viii) below)	(63.68)	(64.57)
	Share of reserve from an associate	4,700.99	4,700.99
	Non Controlling Interest	135.54	126.89
	Total	**28,894.18**	**25,812.11**

(i)	**Securities premium reserve**	**As at 31-Mar-19**	**As at 31-Mar-18**
	Opening balance	191,225.43	185,745.20
	Add : Securities premium credited on issue of shares	-	5,480.23
	Closing balance	**191,225.43**	**191,225.43**

(ii)	**General reserve**	**As at 31-Mar-19**	**As at 31-Mar-18**
	Opening balance	561.75	561.75
	Additions/(Transfers)	-	-
	Closing balance	**561.75**	**561.75**

(iii)	**Capital Reserve**	**As at 31-Mar-19**	**As at 31-Mar-18**
	Opening balance	12.92	12.92
	Additions/(Transfers)	-	-
	Closing balance	12.92	12.92

(iv)	**Deficit in the Statement of Profit and Loss**	**As at 31-Mar-19**	**As at 31-Mar-18**
	Opening balance	(170,821.07)	(170,611.57)
	Add: Net Profit / (loss) for year	3,058.58	(209.50)
	Closing balance	**(167,762.49)**	**(170,821.07)**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(v) Employee Stock options outstanding account	As at 31-Mar-19	As at 31-Mar-18
Opening Balance	0.17	0.17
Additions/(Transfers)	-	-
Closing Balance	**0.17**	**0.17**

(vi) Investments FVTOCI Reserve on equity instruments	As at 31-Mar-19	As at 31-Mar-18
Opening balance	(3.85)	(1.15)
-Fair valuation changes for the year (net of tax)##	(18.54)	(2.70)
Closing balance	**(22.39)**	**(3.85)**
##Includes cumulative fair valuation changes in equity shares (net of tax)		

(vii) Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	As at 31-Mar-19	As at 31-Mar-18
Opening Balance	73.46	14.42
Additions	32.49	59.04
Closing Balance	**105.95**	**73.46**

(viii) Foreign Currency Monetary Item Translation Diff Account	As at 31-Mar-19	As at 31-Mar-18
Opening Balance	(64.57)	(49.26)
Additions	0.89	(15.31)
Closing Balance	**(63.68)**	**(64.57)**

Nature and Purpose of Reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per the Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

Capital reserve

Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

Employee Stock options outstanding account

The reserve is used to recognize the grant date fair value of the options issued to employees under Company's Employee Stock Option Plan.

(Amount in ₹ lakhs, unless otherwise stated)

21 Non-current borrowings	As at 31-Mar-19	As at 31-Mar-18
Secured - At Amortized Cost		
From Banks		
- Term Loans	12,380.10	14,441.06
- Working Capital Term Loans	-	9,270.36
- Funded Interest Term Loans	-	1,921.62
From Others		
- Term Loans (Refer Note 2.3)	7,621.60	-
- Working Capital Term Loans	566.64	891.57
- Funded Interest Term Loans	69.96	151.18
Unsecured		
Loans from related parties	-	1,482.57
Others		
Finance Lease Obligations	7.03	6.22
Total	**20,645.33**	**28,164.58**

21.1 Terms of Repayment and Security details

Particulars	As at 31-Mar-2019	As at 31-Mar-2018	Interest Rate	Terms of Repayment	Secured by
Term Loans from Banks	2,255.10	2,748.11	11.25%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	Primary- Exclusive charge on 5 Wind Energy Generator of 1.5 MW from Leitwind Shriram Manufacturing Private Limited.
Term Loans from Banks	10,125.00	12,311.94	11.25%		
Term Loans from Others	7,621.60	-	-	27 structured quarterly instalments, commencing from Financial year 2019 and ending on financial year 2025	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets), immovable assets of the Company and Corporate Guarantee of SVL Limited and SVL Trust.
Working Capital Term Loan from Banks	-	9,273.04	11.25%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	
Funded Interest Term Loan from Banks	-	1,933.94	11.25%		
Working Capital Term Loan from Others	566.65	668.27	11.25%		
Working Capital Term Loan from Others	-	265.53	11.25%		
Funded Interest Term Loan from Others	69.96	138.92	11.25%		
Finance Lease Obligations from Bank	7.03	16.75	13.50%	36 to 60 Months	Secured by Vehicles purchased under Hire Purchase Scheme
Total	**20,645.33**	**27,356.50**			

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

21.2 Corporate Debt Restructuring

a) Corporate Debt Restructuring (CDR) proposal of the Company was approved w.e.f. April 01, 2014 and all the terms of the CDR have been complied with including right to recompense discharged by way of allotment of equity shares.

b) Working Capital Term Loan (WCTL) amounting to Rs 1226.72 Cr have been converted into equity based on the approval by CDR Cell and lenders at the price determined in accordance with SEBI (Issue of Capital and Disclosure) Regulations, 1999 (the Regulations).

c) The conversion of loans to equity share capital by certain banks have not yet been recognised by lenders and these are subject to reconcilations

d) All amounts due under CDR are covered by Corporate Gurantee of SVL Limited, Entities exercising significant influence over the Company and SVL Trust

e) 18,01,46,496 Equity shares of the Company have been pledged with the CDR lenders by SVL Limited, Entities exercising significant influence over the Company.

21.3 During the year, the Company had entered into settlement agreement with M/s ACRE (an Asset Reconstruction Company) who had bought company`s exposure to DBS bank aggregating to Rs 17,374.11 lakhs as on May 31,2018, at Rs 18,000 Lakhs. The dues are to be settled over a period of seven years ending 2025 on deferred payment basis without interest. The Present value of the amount payable to ACRE as on the date of agreement is Rs. 10,725.08 Lakhs and the resultant gain of Rs. 6,649.03 Lakhs has been disclosed as an exceptional item in the Statement of Profit and Loss.

21.4 The Company has defaulted in repayment of Loans and interest in respect of the following:

Particulars	Principal/ Interest	Period of Delay	Amount of default for the year ended March 31, 2019
Term Loans from Banks:			
Central Bank of India	Principal Paid Subsequently	3 days	154.75
	Principal Paid Subsequently	39 days	154.75
	Principal Paid Subsequently	75 days	154.75
	Interest Paid Subsequently	Ranging between 18 to 81 days	1,491.22

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

22 Other financial liabilities	As at 31-Mar-19	As at 31-Mar-18
Sundry Creditors- Retention	5,690.66	7,762.17
Total	**5,690.66**	**7,762.17**

23 Long Term Provisions	As at 31-Mar-19	As at 31-Mar-18
Provision for gratuity	660.69	532.27
Total	**660.69**	**532.27**

24 Other non-current liabilities	As at 31-Mar-19	As at 31-Mar-18
Advance from Customers	20,683.41	13,117.79
Total	**20,683.41**	**13,117.79**

25 Short-term borrowings (Secured)	As at 31-Mar-19	As at 31-Mar-18
From bank		
Cash Credit and Overdraft facilities (Refer Note 25.1)	42,192.52	48,226.59
From others		
Cash Credit and Overdraft facilities	422.08	444.23
Buyers Credit - from Banks (Refer Note 25.1)	-	2,482.54
Finance lease obligations (Refer Note 25.1)	-	10.53
Total	**42,614.60**	**51,163.89**

25.1 First PariPassu Charge over the pooled assets i.e, all moveable (both fixed, current and non current assets) and immovable assets of the Company, corporate guarantee of SVL Limited and SVL Trust.

26 Trade payables	As at 31-Mar-19	As at 31-Mar-18
Total outstanding dues of micro enterprises and small enterprises		-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	8,132.92	9,022.70
Other than Acceptances	45,743.40	35,422.07
Total	**53,876.32**	**44,444.77**

26.1 Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

27 Other financial liabilities	As at 31-Mar-19	As at 31-Mar-18
Current Maturities of Long Term Debts		
- From banks	1,547.50	619.00
- From Others	916.93	44.96
Interest accrued and due on borrowings	-	2,867.69
Unclaimed Dividend	1.27	1.27
Total	**2,465.70**	**3,532.92**

28 Other current liabilities	As at 31-Mar-19	As at 31-Mar-18
Advance from customers	14,793.52	41,134.34
Statutory dues payable	302.79	1,055.62
Advance Billing	8,721.42	815.45
Total	**23,817.73**	**43,005.41**

29 Short Term Provisions	As at 31-Mar-19	As at 31-Mar-18
Provision for gratuity	28.59	22.79
Provision for Compensated Absences	502.26	392.87
Provision for others	88.91	-
Total	**619.76**	**415.66**

30 Revenue from operations	Year Ended 2018-19	Year Ended 2017-18
Revenue from Engineering and Construction Contracts	119,901.07	82,885.09
Company's share in profit of Integrated Joint Ventures	294.81	1.54
Total	**120,195.88**	**82,886.63**

31 Other income	Year Ended 2018-19	Year Ended 2017-18
Interest income		
- Margin Money deposits	484.80	1,356.47
- Income Tax Refunds	120.79	-
- Interest income on Financial Assets	6,275.26	8,367.34
Liabilities written back	501.23	673.74
Profit on sale of fixed assets	-	2.66
Miscellaneous income	51.60	135.65
Total	**7,433.68**	**10,535.86**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

32 Erection, Construction & Operation Expenses	Year Ended 2018-19	Year Ended 2017-18
Cost of Materials and Labour (Refer Note below)	99,838.00	64,799.40
Other Contract Related Costs	318.02	792.75
Commercial Taxes	-	1,049.82
Total	**100,156.02**	**66,641.97**

32.1 Cost of materials and labour for the year ended March 31, 2019 includes Rs. 21,601.46 Lakhs (Year ended March 31, 2018 - NIL) being proportionate share of cost relating to the Mokul Shriram EPC JV (MSJV) project in Basra, Iraq.

33 Change in Inventories of Contract Work in Progress	Year Ended 2018-19	Year Ended 2017-18
Inventories at the beginning of the year	3,765.57	3,813.96
	3,765.57	3,813.96
Less: Inventories at the end of the year	3,849.24	3,765.57
	3,849.24	3,765.57
Net (decrease) / Increase	(83.67)	48.39
Total	**(83.67)**	**48.39**

34 Employee benefits expense	Year Ended 2018-19	Year Ended 2017-18
Salaries, wages, bonus and other allowances	4,622.48	3,920.90
Contribution to Provident and Other funds	338.75	491.98
Contribution to Gratutiy (Refer Note 42)	202.68	152.50
Staff welfare expenses	587.61	273.11
Total	**5,751.52**	**4,838.49**

35 Finance costs	Year Ended 2018-19	Year Ended 2017-18
Interest on Cash Credits	5,098.47	4,885.77
Interest on Term Loans	2,210.72	3,467.55
Interest on financial liabilities measured at Effective Interest Rate	1,077.03	-
Interest - Others	1,158.32	2,019.92
Total	**9,544.54**	**10,373.24**

36 Depreciation and amortization expense	Year Ended 2018-19	Year Ended 2017-18
Depreciation (Refer Note 6)	551.35	569.14
Amortization (Refer Note 7)	15.15	16.62
Total	**566.50**	**585.76**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

37 Other expenses	Year Ended 2018-19	Year Ended 2017-18
Electricity and water	337.39	655.28
Rates and taxes	30.61	283.37
Rent	255.49	415.14
Repairs and Maintenance:		
Building	101.16	12.27
Plant and Machinery, Equipments	43.46	35.52
Others	21.85	17.22
Auditors' Remuneration (Refer Note 37.1 below)	30.55	30.55
Bank Charges, Letter of Credit/Guarantee charges	2,965.03	997.19
Travel and conveyance	1,042.27	1,045.07
Insurance premium	140.30	302.48
Printing & Stationery	51.14	53.64
Communication, broadband and internet expenses	96.16	62.26
Sitting Fees	5.88	8.80
Consultancy charges	2,134.48	4,032.89
Legal Expenses	167.07	128.92
Advertisement	35.95	27.16
Donation	1.73	2.69
Bad debts	179.44	-
Provision for doubtful trade and Other receivables and Loans and Advances	-	731.73
Miscellaneous Expenses	449.92	951.25
Total	**8,089.88**	**9,793.43**

37.1 The following is the break-up of Auditors remuneration (exclusive of GST)

Particular	Year Ended 2018-19	Year Ended 2017-18
As auditor:		
Statutory audit	24.00	20.00
Other matters	6.00	10.00
Reimbursement of expenses	0.55	0.55
Total	**30.55**	**30.55**

38 Exceptional Items		Year Ended 2018-19	Year Ended 2017-18
Interest income on Financial Assets (Refer Note 21.3)		(6,649.03)	-
Advance written off (Refer Note 9.3)	53,013.72	-	-
Less: Transfer from Provision for unexpired credit loss	48,311.07	4,702.65	-
Claim from vendor (Refer Note 54)		2406.35	-
Total		**459.97**	-

(Amount in ₹ lakhs, unless otherwise stated)

39 Income Tax

(A) Components of Deferred Tax Assets and Liabilities recognised in Balance Sheet:

Particular	2018-19	2017-18
Deferred tax assets		
On Provision for employee benefits	416.37	317.27
On Impairment loss recognised	6,743.43	25,856.76
On Unabsorbed depreciation and carry forward business losses	41,013.89	21,864.19
	48,173.69	**48,038.22**
Deferred tax liabilities		
On Property, Plant and Equipment	549.99	414.52
On Others	-	
	549.99	**414.52**
Deferred tax asset, net	**47,623.70**	**47,623.70**

(B) Reconciliation of deferred tax assets (net):	**2018-19**	**2017-18**
Opening balance	47,623.70	48,973.51
Tax asset recognized in Statement of Profit and Loss	-	(1,349.81)
Closing balance	**47,623.70**	**47,623.70**

(C) a) The Company has business losses and unabsorbed depreciation which are allowed to be carried forward and set off against available future taxable income under Income Tax Act, 1961.Against the total unabsorbed business loss of Rs.1,71,133 lakhs available for set off against future profits, Company has recognized deferred tax asset only to the extent of Rs. 41,013.89 lakhs(including Rs.19,150 lakhs created during the year) on a loss of Rs. 1,21,133 lakhs which in the opinion of the management is realizable based on the future business plan and estimated future taxable profits of the company.

b) Refer Note 9.3 on reversal of deferred tax asset of Rs.16,881.90 lakhs relating to deferred tax asset on unexpired credit loss provision

(D) Reconciliation of tax charge		**2018-19**	**2017-18**
(a) Profit before tax		**3,144.80**	**1,141.21**
(b) Corporate Tax Rate as per Income Tax Act, 1961		34.94%	34.94%
(c) Tax on Accounting Profit	(c) = (a) * (b)	**1,098.79**	**398.74**
(d) Tax adjustments			
(i) Tax on share of profit in Joint Operations - Tax on Income Exempt from Tax		-	16.28
(ii) Tax effect on impairment losses recognised and on which deferred tax asset is not recognised		-	599.32
(iii) Tax effect of losses of current year on which no deferred tax benefit is recognised		(197.67)	(105.11)
(iv) Tax effect of various other items		(814.90)	(8.29)
(v) Effect of difference in tax rates of subsidiaries operating in other jurisdiction		0.00	449.97
Total effect of Tax Adjustments (Sum of (i) to (iv))		**(1,012.57)**	**952.17**
(e) Tax expenses recognised during the year	(e) = (c) + (d)	86.22	1,350.91
(f) Effective Tax Rate	(f) = (e)/(a)	**2.74%**	**118.36%**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

40 Basic and Diluted Earnings Per Share (EPS) computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings Per Share":

Particular		2018-19	2017-18
Basic EPS			
Profit/(Loss) after Tax as per Accounts (₹ lakhs)	A	3,072.53	(153.16)
Weighted Average Number of Equity Shares Outstanding	B	9,715.29	9,582.06
Basic EPS (₹)	A/B	**0.32**	**(0.02)**
Diluted EPS			
Profit/(Loss) after Tax as per Accounts (₹ lakhs)	A	3,072.53	(153.16)
Weighted Average Number of Equity Shares Outstanding	B	9,715.29	9,582.06
Diluted EPS (₹)	A/B	**0.32**	**(0.02)**

41 Disclosures pursuant to Ind AS 11 "Construction Contracts":

S No	Particular	2018-19	2017-18
1	Contract revenue recognised for the financial year	119,901.07	82,885.09
2	Aggregate amount of Contract costs incurred and recognized profits (less recognized losses) upto the reporting date	100,072.35	66,690.36
3	Advances received for contracts in progress	35,476.93	54,252.13
4	Retention amount by customers for contracts in progress	30,825.57	41,084.69
5	Gross amount due from customers for contract work (Asset)	88,909.80	113,338.13
6	Gross amount due to customers for contract work (Liability)	8,721.42	815.45

42 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss	2018-19	2017-18
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 34)	338.75	491.98

(B) Defined benefit plans (Unfunded)

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Investment risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2019 by Mr. S. Krishnan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

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

(Amount in ₹ lakhs, unless otherwise stated)

i) Actuarial assumptions	2018-19	2017-18
Discount rate (per annum)	7.58%	7.71%
Rate of increase in Salary	5.00%	5.00%
Expected average remaining working lives of employees (years)	Ind. (2006-8) table	Ind. (2006-8) table
Attrition rate	3.00%	3.00%

ii) Changes in the present value of defined benefit obligation	Gratuity		Long Term Compensated Absences	
	2018-19	2017-18	2018-19	2017-18
Present value of obligation at the beginning of the year	555.06	467.06	392.88	431.42
Interest cost	45.89	33.71	29.22	24.50
Past service cost	-	-	-	-
Current service cost	156.52	118.79	1,032.27	257.48
Curtailments	-	-	-	-
Settlements	-	-	-	-
Benefits paid	(35.69)	(5.46)	(18.44)	(93.96)
Actuarial gain on obligations	(32.50)	(59.04)	(933.66)	(226.56)
Present value of obligation at the end of the year*	**689.28**	**555.06**	**502.27**	**392.88**
*Included in provision for employee benefits (Refer notes 23 and 29)				

iii) Expense recognized in the Statement of Profit and Loss	Gratuity		Long Term Compensated Absences	
	2018-19	2017-18	2018-19	2017-18
Current service cost	156.52	118.79	1,032.28	257.48
Past service cost	-	-	-	-
Interest cost	45.89	33.71	29.22	24.50
Expected return on plan assets	-	-	-	-
Actuarial gain on obligations	(32.50)	(59.04)	(933.66)	(226.56)
Settlements	-	-	(18.44)	-
Curtailments	-	-	-	-
Total expenses recognized in the Statement Profit and Loss	**169.91**	**93.47**	**109.40**	**55.42**

iv) Assets and liabilities recognized in the Balance Sheet:	Gratuity		Long Term Compensated Absences	
	2018-19	2017-18	2018-19	2017-18
Present value of unfunded obligation as at the end of the year	(689.28)	(555.06)	(502.27)	(392.88)
Unrecognized actuarial (gains)/losses	-	-	-	-
Unfunded net liability recognized in Balance Sheet*	**(689.28)**	**(555.06)**	**(502.27)**	**(392.88)**

*Included in provision for employee benefits (Refer notes 23 and 29)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

v) A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Impact on defined benefit obligation	2018-19
Discount rate	
0.5% increase	(3.07%)
0.5% decrease	3.28%
Rate of increase in salary	
0.5% increase	3.28%
0.5% decrease	(3.07%)

vi) **Maturity profile of defined benefit obligation**

Period	31-03-2019
By the end of the First Year	210.33
Between Year 1 and Year 2	40.75
Between Year 2 and Year 3	37.61
Between Year 3 and Year 4	36.84
Between Year 4 and Year 5	10.84
Between Year 5 and Year 10	544.54

43 Disclosure in respect of leases pursuant to Indian Accounting Standard (Ind AS) 17, "Leases"

Operating leases where Company is a lessee:

The company has operating lease arrangements primarily for office premises, the lease period of which is about 10years. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹ 255.49 lakhs (31 March 2018: ₹ 415.04 lakhs) included in Note 37. The future expected minimum lease payments under operating leases are given below. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation.

Future minimum rentals payable under non-cancellable operating leases are, as follows:

Particulars	31-Mar-19	31-Mar-18
Within one year	112.59	112.59
After one year but not more than five years	250.70	478.50
More than five years	-	-
Total	**363.29**	**591.09**

Yearwise future minimum lease rental payments on contracts:

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Total Minumum Lease Payments	Present Value of Minimum Lease Payments	Total Minumum Lease Payments	Present Value of Minimum Lease Payments
Within one year	6.35	5.99	3.54	3.38
After one year but not more than five years	4.50	3.81	20.96	18.24
More than five years	-	-	-	-
Total	**10.85**	**9.80**	**24.50**	**21.62**
Less: Future Finance Charges	1.05	-	2.88	-
Present Value of Minimum lease payments	**9.80**	**9.80**	**21.62**	**21.62**

(Amount in ₹ lakhs, unless otherwise stated)

44 Disclosure of Related Parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(A) List of related parties and description of relationship as identified and certified by the Company:

Entities exercising significant influence over the Company

SVL Limited

Subsidiary

Shriram EPC FZE, Sharjah

Step Down Subsidiary

Shriram EPC Arkan LLC

Subsidiary of Entities exercising significant influence over the Company

Shriram SEPL Composites Private Limited

Bharat Coal Chemicals Limited (BCCL)

Enterprises under the joint control of the Entities exercising significant influence over the Company:

Leitwind Shriram Manufacturing Private Limited

Associates

Haldia Coke and Chemicals Private Limited

Ennore Coke Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)

Wellman Coke India Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)

Key management personnel

T.Shivaraman - Managing Director

M.Amjad Shariff - Joint Managing Director

Other enterprises under the control of the key management personnel

Orient Green Power Company Limited

Bharath Wind Farm Limited

Clarion Windfarms Private Limited

Beta Wind Farm Private Limited

Orient Eco Energy Private Limited

Joint Operations

Larsen & Toubro Limited Shriram EPC JV

Shriram EPC Eurotech Environmental Pvt Ltd - JV

SEPC DRS ITPL JV

Mokul Shriram EPC JV

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(B) Details of transactions with related party in the ordinary course of business for the year ended:

		31-Mar-19	31-Mar-18
(i)	**Entities exercising significant influence over the Company**		
	Sale Consideration on transfer of advances / receivables (Also Refer Note 9.3 and 38)	25,000.00	-
	Loan Received (Net)	-	2,991.68
(ii)	**Subsidiary**		
	Progressive billings/Revenue	1,352.00	3,245.39
	Management Fees	2,413.35	2,300.01
	Expenses incurred by the party	-	57.06
(iii)	**Step Down Subsidiary**		
	Management Fees	5.62	
	Expenses incurred by the party	439.22	910.55
	Expenses incurred by the party	-	10.57
(iv)	**Subsidiary of Entities exercising significant influence over the Company**		
	Shriram SEPL Composites Private Limited		
	Progressive billings/Revenue	1.21	-
	Purchases of Goods and Services	256.87	512.21
	Expenses incurred and recoverable	41.21	5.76
(v)	**Enterprises under the joint control of the Entities exercising significant influence over the Company:**		
	Leitwind Shriram Manufacturing Private Limited		
	Expenses incurred and recoverable	22.31	37.31
	Purchases of Goods and Services	0.59	-
(vi)	**Associates**		
	(a) Ennore Coke Limited		
	Expenses incurred	-	11.58
	(b) Haldia Coke and Chemical Limited and Ennore Coke Limited		
	Loss on transfer of advances / receivables (Refer Note 9.3)	4,702.65	-
(vii)	**Key Managerial Personnel (KMP)**		
	Compensation of key managerial personnel		
	T.Shivaraman	60.15	60.41
	M.Amjad Shariff	60.15	61.12
(viii)	**Other enterprises under the control of the key management personnel**		
	(a) Orient Green Power Company Limited		
	Expenses incurred and recoverable	31.30	14.76

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

(ix)	**Joint Operations**		
	(a) Larsen & Toubro Limited Shriram EPC JV		
	Company's share in profit of Integrated Joint Ventures	259.39	1.54
	Progressive billings / Revenue	231.52	103.59
	(b) Shriram EPC Eurotech Environmental Pvt Ltd - JV		
	Progressive billings / Revenue	1,821.83	566.95
	(c) SEPC DRS ITPL JV		
	Progressive billings / Revenue	995.92	5,696.21
	(d) Mokul JV Shriram EPC		
	Progressive billings / Revenue	19,549.70	-

(C) Amount due (to) / from related party as on:

(i)	**Particulars**	**31-Mar-19**	**31-Mar-18**
	Advances / (Borrowings):		
	SVL Limited	3,936.03	(1,482.57)
	Leitwind Shriram Manufacturing Private Limited (Net of Provision for Expected Credit Loss of ₹ 9,141.70 Lakhs (March 31, 2018: ₹ 9,291.35 Lakhs)	3,815.40	3,984.49
	Haldia Cokes & Chemicals Private Limited (Net of Provision for Expected Credit Loss of ₹ 0 (March 31, 2018: ₹ 30,925.88 Lakhs)	-	17,907.12
	Ennore Coke Limited (Net of Provision for Expected Credit Loss of ₹ 0 Lakhs (March 31, 2018: ₹ 18,439.44 Lakhs)	-	10,735.21
	Bharat Wind Farm Limited	5.76	26.12
	Orient Green Power Company Limited	-	20.42
	Receivables /(Payables):		
	Leitwind Shriram Manufacturing Private Limited	4,134.15	3,984.49
	Shriram EPC FZE, Sharjah	(1,029.50)	1,386.55
	Shriram EPC Arkan LLC	1,272.14	899.98
	Orient Green Power Company Limited	25.15	53.08
	Shriram EPC Eurotech Environmental Pvt Ltd - JV	(163.62)	(412.53)
	SEPC DRS ITPL JV	627.34	397.17
	Larsen & Toubro Limited Shriram EPC JV	112.89	16.26
	Haldia Coke and Chemicals Private Limited	-	16.92
	Ennore Coke Limited (Ceased to be an associate from September 30, 2018)	-	33.10
	Beta Wind Farm Private Limited	1,381.84	1,403.40
	Wellman Coke India Limited	-	78.90
	Shriram SEPL Composites Private Limited	611.81	604.32
	Mokul Shriram EPC JV	1998.19	-
(ii)	**Corporate Guarantees given by the Company**		
	Orient Green Power Company Limited	-	1,600.00

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

45 Disclosure as per regulation 34(3) and 53(F) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015:

45.1 Maximum amount outstanding at any time during the year:

Particular	31-Mar-19	31-Mar-18
Subsidiary		
Shriram EPC FZE, Sharjah	3,150.72	3,150.72
Step Down Subsidiary		
Shriram EPC Arkan LLC	1,339.19	910.55
Associates		
Haldia Coke and Chemicals Private Limited	48,850.50	48,850.50
Ennore Coke Limited	29,180.73	29,178.71
Wellman Coke India Limited	78.90	78.90

45.2 Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013 :

Nature of Transaction	31-Mar-2019	31-Mar-2018	Nature of relationship	Purpose for which the amount to be utilised
Investments Made:				
Haldia Coke and Chemicals Private Limited	4,007.22	4,007.22	Related Party	To carry on the business of manufacture of Low Ash Metallurgical Coke
Leitwind Shriram Manufacturing Private Limited	407.56	407.56	Related Party	To carry on the manufacture of Wind Energy Generators
Orient Green Power Company Limited	21.82	40.36	Related Party	To carry on the business of Generation of Power
Shriram EPC FZE, Sharjah	24.26	24.26	Related Party	To carry on Engineering, procurement and construction business.
Loans Given:				
Leitwind Shriram Manufacturing Private Limited	4,134.15	3,984.49	Related Party	Business needs and contingencies
Orient Green Power Company Limited	25.15	20.42	Related Party	Business needs and contingencies

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

46 Segment reporting

The Chief Operating Decision Maker (CODM) reviews the operations of the Company for the year ended March 31, 2019 as one operating segment being Construction Contracts. Hence no separate primary segment information has been furnished herewith as required by Ind AS 108, "Operating segment". However, Geographical Segments being secondary segments are disclosed below :

Particulars	**31-Mar-19**	**31-Mar-18**
Rest of the World		
Revenue	72,300.08	10,879.67
Assets	53,810.49	5,235.94
	-	-
India		
Revenue	47,895.80	72,006.96
Assets	286,697.77	309,868.53
Capital Expenditure	499.24	80.81

47 Expenditure in Foreign Currency	**2018-19**	**2017-18**
Professsional & Consultancy Fees	1.26	45.57
Material Consumed in Execution of Engineering Contracts	3182.04	325.21
Erection ,Construction & Operation Exp	32.09	14.35
Travelling & Conveyance	80.21	68.45
Others	3.96	34.39
Total	**3299.56**	**487.97**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

48 Fair Value Measurement

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

31-Mar-2019

		Carrying Amount					Fair Value			
Particulars	**Note**	**Financial Assets at amortised cost**	**Mandatorily at FVTPL**	**Other Financial liabilities at amortised cost**	**Investments at Fair Value thorugh Other comprehensive income**	**Total carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets										
Financial Assets Measured at Fair Value										
Investments	8	-	-	-	38.65	38.65	21.82	-	-	**21.82**
Financial Assets not Measured at Fair Value*										
Investments	8	-	-	-	90.39	90.39	-	-	66.13	**66.13**
Loans	9	17,675.67	-	-	-	17,675.67	-	-	-	**-**
Trade Receivables	10 &14	73,738.88	-	-	-	73,738.88	-	-	-	**-**
Cash and Cash Equivalents	15	3,060.04	-	-	-	3,060.04	-	-	-	**-**
Other Bank balances	16	8,116.89	-	-	-	8,116.89	-	-	-	**-**
Other financial assets	10 &17	6,015.11	-	-	-	6,015.11	-	-	-	**-**
Total		**108,606.59**	**-**	**-**		**108,735.63**	**21.82**	**-**	**66.13**	**87.95**
Liabilities										
Financial Liabilities not Measured at Fair Value*										
Non Current Borrowings	21	-	-	20,645.33	-	20,645.33	-	-	-	-
Current Borrowings	25	-	-	42,614.60	-	42,614.60	-	-	-	-
Trade payables	26	-	-	53,876.32	-	53,876.32	-	-	-	-
Other financial liabilities	22 & 27	-	-	8,156.36	-	8,156.36	-	-	-	-
Total		**-**	**-**	**125,292.61**		**125,292.61**	**-**	**-**	**-**	**-**

(Amount in ₹ lakhs, unless otherwise stated)

31-Mar-2018

		Carrying Amount					Fair Value			
Particulars	Note	Financial Assets at amortised cost	Mandatorily at FVTPL	Other Financial liabilities at amortised cost	Investments at Fair Value thorugh Other comprehensive income	Total carrying value	Level 1	Level 2	Level 3	Total
Assets										
Financial Assets Measured at Fair Value										
Investments	8	-	-	-	38.65	38.65	40.36	-	-	**40.36**
Financial Assets not Measured at Fair Value*										
Investments	8	-	-	-	90.39	90.39	-	-	66.13	**66.13**
Loans	9	40,635.69			-	40,635.69				
Trade Receivables	10 &14	54,232.51	-	-	-	54,232.51	-	-	-	-
Cash and Cash Equivalents	15	2,373.38	-	-	-	2,373.38	-	-	-	-
Other Bank balances	16	3,697.92	-	-	-	3,697.92	-	-	-	-
Other financial assets	10 &17	26,166.82	-	-	-	26,166.82	-	-	-	-
Total		**127,106.32**	**-**	**-**	**-**	**127,196.71**	**-**	**-**	**66.13**	**66.13**
Liabilities										
Financial Liabilities not measured at fair value*										
Non Current Borrowings	21	-	-	28,164.58	-	28,164.58	-	-	-	-
Current Borrowings	25	-	-	51,163.89	-	51,163.89	-	-	-	-
Trade payables	26	-	-	44,444.77	-	44,444.77	-	-	-	-
Other financial liabilities	22 & 27	-	-	11,295.09	-	11,295.09	-	-	-	-
Total		**-**	**-**	**135,068.33**		**135,068.33**	**-**	**-**	**-**	**-**

* The company has not disclosed the fair value for Financial instruments mentioned above because their carrying amounts are a reasonable approximation of fair value.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

49 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

The net exposure to foreign currency in respect of recognized financial assets, recognized financial liabilities and derivatives is as follows:

Forward exchange contracts entered into by the Company and outstanding as on March 31, 2019 - Nil (March 31, 2018 - Nil)

(B) Credit risk

The Company's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

The Company provides for doubtful receivables/advances and expected credit loss based on 12 months and lifetime expected credit loss basis for following financial assets:

31-Mar-19

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	53,690.24	(5,207.55)	48,482.69
Unbilled Revenue	92,969.75	(8,028.38)	84,941.37
Advances to Suppliers	36,307.43	(1,640.30)	34,667.13

(Amount in ₹ lakhs, unless otherwise stated)

31-Mar-18

Particulars	Estimated Gross Carrying Amount at default	Provision/ Expected Credit Loss	Carrying amount net of impairment provision
Trade receivables	41,742.95	(5,389.49)	36,353.46
Unbilled Revenue	76,891.54	(9,728.82)	67,162.72
Advances to Suppliers	14,526.43	(1,640.30)	12,886.13

Reconciliation of Provision and Expected Credit Loss - Other financial assets

Particulars	Trade receivables	Unbilled Revenue	Advances to Suppliers
Provision and Expected Credit Loss on 31-03-2018	**5,389.49**	**9,728.82**	**(1,640.30)**
Allowance for Doubtful Debts	-	-	-
Interest income on Financial Assets	(181.94)	(1,700.44)	-
Provision and Expected Credit Loss on 31-03-2019	**5,207.55**	**8,028.38**	**(1,640.30)**

(C) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cashand by having access to funding through an adequate amount of committed credit lines. Given the need to fund diverse projects, and to meet the debt servicing obligations of the Company, the Company maintains flexibility in funding through committed credit lines, short term borrowings and trade receivables. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections, assessment of maturity profiles of financial assets and financial liabilities including debt financing plans.

The table below summarizes the maturity profile of the Company's financial liabilities:

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31-Mar-19					
Short term borrowings	-	42,614.60	-	-	42,614.60
Long-term borrowings	-	-	20,645.33		20,645.33
Trade payables	-	53,876.32	-	-	53,876.32
Other financial liability	-	2,465.70	-	-	2,465.70
	-	**98,956.62**	**20,645.33**	**-**	**119,601.95**
31-Mar-18					
Short term borrowings	-	51,163.89	-	-	51,163.89
Long-term borrowings	548.56	1,645.68	23,882.30	2,088.04	28,164.58
Trade payables	-	31,462.42	-	-	31,462.42
Other financial liability	-	3,532.92	-	-	3,532.92
	548.56	**87,804.91**	**23,882.30**	**2,088.04**	**114,323.80**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors Net Debt to Capital ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of term loans and cash credits. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars		31-Mar-19	31-Mar-18
Total equity	(i)	**126,047.08**	**122,965.01**
Total debt	(ii)	65,724.37	79,992.43
Cash and Cash Equivalents	(iii)	3,060.04	2,373.38
Net Debt	(iv) = (ii) - (iii)	**62,664.33**	**77,619.05**
Total Capital	(v) = (i) + (iv)	188,711.41	200,584.05
Net Debt to Capital ratio	(iv)/ (v)	0.33	0.39

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

51 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

Movement in Provisions:

Particulars	Provision for Expected Credit Losses		Provision for Doubtful Receivables	Provision for Advances
	Current	Non-Current	Non-Current	Current
Opening Balance as on 01-Apr-18	**15,118.33**	**74,648.59**	**3,798.11**	**1,640.30**
Add: Additional Provision during the year	-	-	-	-
Less: Interest income on Financial Assets	1,882.39	4,392.88	-	-
Transfer of Provision from unexpired credit loss	-	48,311.11	-	-
Closing Balance as on 31-Mar-19	**13,235.94**	**21,944.60**	**3,798.11**	**1,640.30**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

52 Contingent Liabilities And Commitments

(a) Contingent Liabilities

	Particular	As at 31-Mar-19	As at 31-Mar-18
a)	Corporate Guarantees issued to a related party	-	1,600.00
b)	Claims against the Company not acknowledged as debts	12,251.54	18,394.83
c)	Central Excise, Service Tax and customs Duties demands contested in Appeals, not provided for	541.00	808.81
d)	Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for	8,841.00	9,395.96
e)	Income tax demands contested in Appeals, not provided for	3,668.58	4.56

Management is of the opinion that the Appeals preferred by the Company will be decided in its favour. Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(b) Commitments

Particular	As at 31-Mar-19	As at 31-Mar-18
Estimated amount of contracts remaining unexecuted on capital account (net of advances paid) and not provided for	67.25	26.00

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(Amount in ₹ lakhs, unless otherwise stated)

53 The Company was in the course of executing project for Governorate of Basra, Government of Iraq ('the customer') in the year- along with MSJV (Joint venture partner). There were some delays in commencement of the project due to regulatory compliances. However the said contract was canceled by the Customer during February 2014. During 2018-19, the Governorate of Basra, has revoked the work withdrawal and permitted sub contracting of balance works to a local contractor at Iraq. The construction activities have been resumed by the said contractor and Company has withdrawn all legal cases and recovery of dues. The total amounts due to Company recorded under Trade Receivables, Unbilled revenue of ₹ 7,954.04 Lakhs (As at March 31, 2018 - ₹ 5,631 Lakhs), ₹ 3,957.66 has been collected and balance amount is considered good and recoverable. The revenue and cost relating to the jointly controlled operations of this project is included in the financials for the year ended March 31, 2019.

54 During the year, the company has settled the vendor claim of Euros 4.86 Million (equivalent to ₹ 3,836 lakhs) was settled for a sum of Euros 3.5 Million (equivalent to ₹ 2765 lakhs) which is payable over a period of three years ending 2021 without interest. Consequently the present value of the sum payable has been charged off for ₹ 2,406 lakhs net of discounting and disclosed as an exceptional item.

55 In respect of the associate, Haldia Coke and Chemicals Private Limited, as the group's share of losses in the associate has exceeded the cost of investment in an earlier year, Group's share of loss for the year has not been considered in these Consolidated Financial statements.

56 The Board, duly taking into account all the relevant disclosures made has approved these financial statements in its meeting held on May 27, 2019.

57 The previous year figures have been reclassified/regrouped to wherever necessary

For and on behalf of the Board of Directors
Shriram EPC Limited
CIN: L74210TN2000PLC045167

T. Shivaraman	**Chandra Ramesh**	**K.Suresh**	**R S Chandrasekharan**
Managing Director & CEO	Director	Company Secretary	Chief Financial Officer
DIN: 01312018	DIN: 00938694		

Place: Chennai
Date: May 27, 2019

Shriram EPC Limited

Registered Office: Sigapi Achi Building, 4th Floor,

18/3, Rukmini Lakshmipathi Road, Egmore, Chennai-600008.

Corporate Identity Number : L74210TN2000PLC045167

Ph: 044-49015678, Website:www.shriramepc.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

Full Name of the Member attending (in Block Letters)	
Full Name of the first joint-holder	
Name of the Proxy	

I/ We hereby record my/ our presence at the 19th ANNUAL GENERAL MEETING of the Company to be held on Wednesday, 18th September, 2019 at 10.00 A.M. at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T.Nagar, Chennai - 600 017.

No. of Shares held	
Registered Folio No.	
DP ID	
Client ID	

____

Member's/Proxy's Signature

Route Map to the Venue

Shriram epc
Engineering the future

Shriram epc
Engineering the future

Shriram epc
Engineering the future

Regd. Office: Sigapi Achi Building, 4th Floor,
18/3, Rukmini Lakshmipathi Road, Egmore, Chennai-600008
Tel:+91(44)49015678, Fax: 91(44)4901 5655
E-mail:suresh@shriramepc.com
Website:www.shriramepc.com
CIN:L74210TN2000PLC045167

Shriram EPC Limited

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Ph: 044-49015678, Website:www.shriramepc.com

FORM NO. MGT-11

PROXY FORM

Corporate Identity Number	**L74210TN2000PLC045167**
Name of the company	Shriram EPC Limited
Registered office	Sigapi Achi Building, 4th Floor, 18/3, Rukmini Lakshmipathi Road, Egmore, Chennai-600008, Ph: 044-49015678, Website:www.shriramepc.com

Full Name of the Member attending (in Block Letters)	
Full Name of the first joint-holder	
Registered Address	
E-Mail	
Folio no./ Client ID	
DP ID	
Name of the Proxy	

I/We, being the member (s) of …………. shares of the above named company, hereby appoint

Name:	Name:	Name:
Address:	Address:	Address:
E-mail Id:	E-mail Id:	E-mail Id:
Signature: or failing him	Signature: or failing him	Signature: or failing him

P.T.O.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the NINETEENTH ANNUAL GENERAL MEETING of the Company to be held at 10.00 A.M. on Wednesday, the 18th September, 2019 at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T.Nagar, Chennai - 600 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions :
Ordinary Business:	
1	To receive, consider and adopt the Directors' Report and Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2019 and the reports of the Auditors thereon.
2	Re- Appointment of Mr R Sundararajan (DIN 00498404) as a Director
3	Re- Appointment of Mr M Amjat Shariff (DIN 00009562) as a Director
Special Business:	
4	Appointment of Mr K S Sripathi as a Director of the Company
5	Appointment of Cost Auditor
6	Omnibus approval for Related Party Transactions for the year 2019-20

Signed this ……….. day of ………………2019.

Affix
Revenue
Stamp

……………………………..   ……………………………..

Signature of Shareholder   Signature of Proxy Holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Disclaimer

In this annual report, we have disclosed forward-looking information to help investors comprehend our projects and take informed investment decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'experts', 'projects', intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Shriram EPC Limited

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