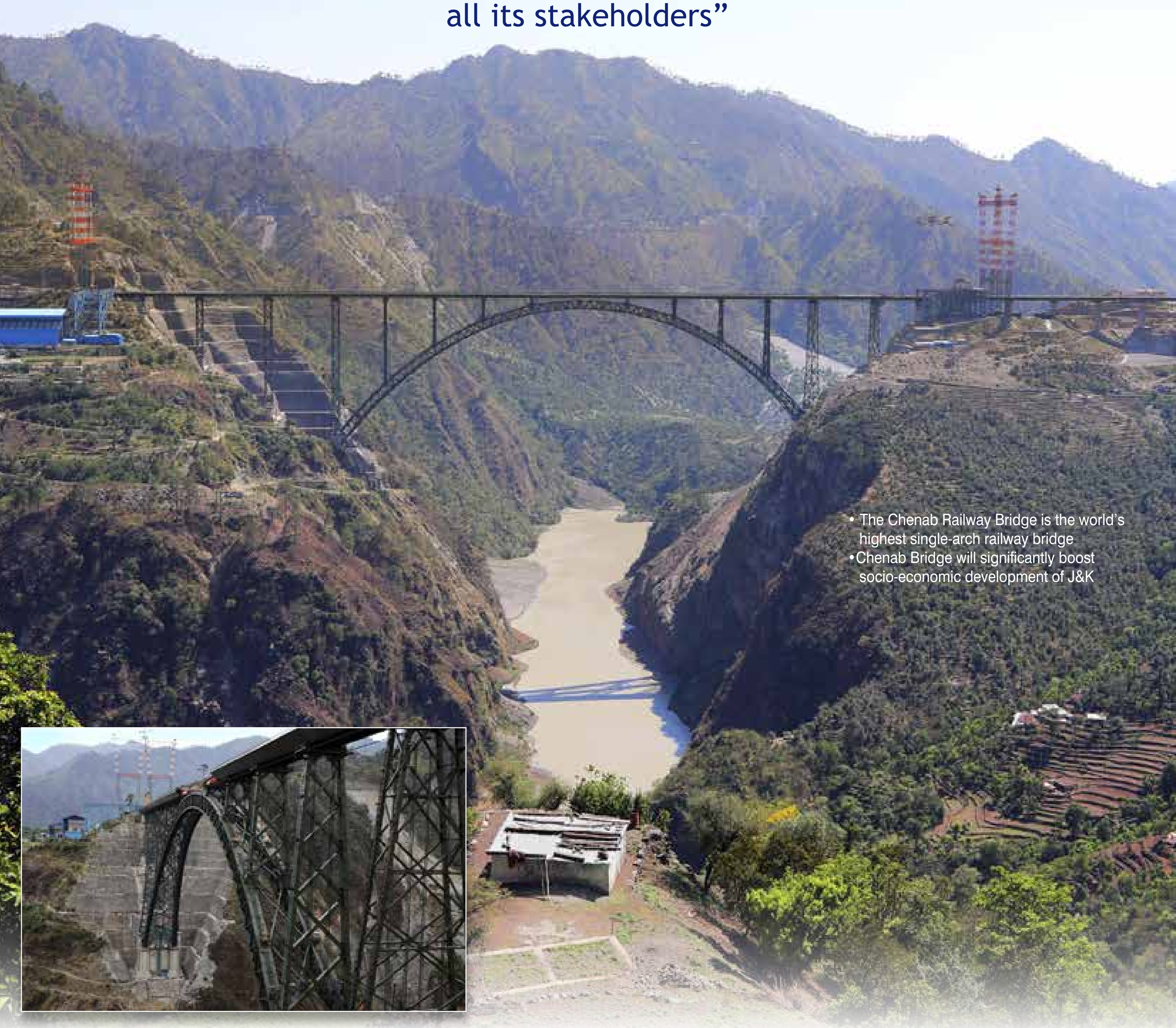
AFCONS

Shapoorji Pallonji

ANNUAL REPORT 2021-22

MISSION

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



- The Chenab Railway Bridge is the world's highest single-arch railway bridge
- Chenab Bridge will significantly boost socio-economic development of J&K

MIKE Award
Most Innovative Knowledge Award 2021
at the Global Asia & India Level

IEI Industry Excellence
Award For industry leaders
for Innovation

CII Industrial Innovation Award
For Top 25 Innovative companies

AFCONS INFRASTRUCTURE LIMITED

BOARD OF DIRECTORS

Mr. S. P. Mistry - Chairman

Mr. K. Subramanian - Executive Vice Chairman

Mr. P. S. Mistry

Mr. N. D. Khurody

Mr. P. N. Kapadia

Mr. R. M. Premkumar

Mr. David P. Rasquinha (w.e.f. 07.07.2022)

Mr. U. N. Khanna

Ms. R.M. Nentin

Mr. S. Paramasivan - Managing Director

Mr. Giridhar Rajagopalan - Deputy Managing Director

Mr. Akhil Kumar Gupta- Executive Director (Operations) (upto 30.06.2022)

AUDIT COMMITTEE MEMBERS

Mr. N. D. Khurody - Chairman

Mr. P. N. Kapadia

Mr. R. M. Premkumar

Mr. David P. Rasquinha (w.e.f. 07.07.2022)

COMPANY SECRETARY

Mr. Gaurang M. Parekh

AUDITORS

Price Waterhouse Chartered Accountants LLP,
Chartered Accountants
(ICAI Firm registration no. 012754N/N500016)

HDS & Associates LLP, Chartered Accountants,
(ICAI Firm registration no. W100144)

REGISTERED OFFICE

"AFCONS HOUSE", 16, Shah Industrial Estate,
Veera Desai Road, Azad Nagar P.O.
Andheri (West) Mumbai- 400 053
Website: www.afcons.com
CIN : U45200MH1976PLC019335

Forty-Sixth Annual General Meeting will be held on 29th September, 2022 at 4.30 p.m. at "Afcons House" 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar P.O. Andheri (west), Mumbai - 400053.

BANKERS

State Bank of India

UCO Bank

Punjab National Bank

Axis Bank Ltd.

Bank of India

Bank of Baroda

BNP Paribas

ICICI Bank Ltd.

Union Bank of India

IDBI Bank Ltd.

Standard Chartered Bank

Yes Bank Ltd.

Hongkong and Shanghai Banking Corporation Ltd.

Export Import Bank of India

Indian Bank

DBS Bank Ltd.

REGISTRARS & SHARE TRANSFER AGENT

Cameo Corporate Services Limited
Subramanian Building,
1 Club House Road, Chennai-600002
Tel. no.: 044-28460390
Fax no.: 044-28460129
Email id.: afcons@cameoindia.com

CONTENTS

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the Forty-Sixth Annual Report together with the Audited Financial Statements for the year ended 31st March 2022.

1. FINANCIAL RESULTS

Particulars	Consolidated		Standalone	
	₹ in crores		₹ in crores	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Total Income	11,269.54	9,521.13	10,792.51	9,153.82
Profit/(Loss) before Tax	406.55	290.50	283.04	253.23
Provision for Taxation	48.95	120.61	23.74	127.30
Profit/(Loss) after Tax (before Minority Interest)	357.60	169.89	259.30	125.93
Minority Interest	1.25	2.92	-	-
Profit/ (Loss) for the year	356.35	166.97	259.30	125.93
Balance brought forward from previous years	1695.13	1,543.79	1,373.12	1,262.82
Other items classified to other comprehensive income	(10.20)	0.86	(10.20)	0.86
Profit available for Appropriation	2,041.28	1,711.62	1,622.22	1,389.61
Less: Appropriation				
(i) Interim Dividend on Equity	25.19	25.19	25.19	25.19
(ii) Dividend on Preference Shares	0.05	0.05	0.05	0.05
(iii) Transferred to/(from) Debenture Redemption Reserve	(43.75)	(8.75)	(43.75)	(8.75)
Balance Carried Forward to Balance Sheet	2,059.79	1,695.13	1,640.73	1,373.12

2. OPERATIONS

(a) Standalone Results

Your Company has achieved total income of ₹ 10,792.51 crores for the year compared to the previous year's ₹ 9,153.82 crores showing increase of 17.90 %. The Profit before Tax for the year was ₹ 283.04 crores compared to ₹ 253.23 crores in the previous year resulting in increase of 11.77%. The Profit after Tax for the year was ₹ 259.30 crores compared to ₹ 125.93 crores in the previous year resulting in an increase by 105.91%.

(b) Consolidated Results

Your Company has achieved total income of ₹11,269.54 crores for the year compared to the previous year's ₹ 9,521.13 crores showing an increase of 18.36%. The EBIDTA for the year was ₹ 1,068.59 crores compared to ₹ 897.38 crores in the previous year resulting in a increase by 19.08%. The Consolidated Profit before Tax for the year was ₹ 406.55 crores compared to ₹ 290.50 crores in the previous year resulting in an increase of 39.95%. The Consolidated Profit after Tax for the year was ₹ 357.60 crores compared to ₹ 169.89 crores in the previous year resulting in an increase by 110.49%. All intercompany transactions are netted out at the time of consolidation and hence, the profits and revenues are reduced to that extent.

Your Company's Order book as on 31st March, 2022 was ₹ 32,805 crores.

(c) There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

(d) During the year under review, the following major works were completed:

i. Engineering, Procurement and Construction of Marine facilities at Gopalpur port, Orissa of Gopalpur Ports Limited.

ii. Project on traffic de-congestion in Lusaka City by improving the road infrastructure in Lusaka City of Zambia of Ministry of Local Government and Housing (MLGH), Zambia.

iii. Engineering, procurement, supply and construction of jetty, retaining wall including construction of onshore/offshore civil, structural and architectural works for 2×660 MW Maitree STPP, Rampal, Bangladesh of Bharat Heavy Electrical Limited.

iv. Balance Work of Reach 1 stations including Construction of operational room facilities at Mihan and Hinga Depots at Nagpur of Maharashtra Metro Rail Corporation Limited.

v. Design & Construct a container terminal in the Port Nouakchott, Mauritania of M/s. Arise Mauritania S A.

vi. Supply of Material at Nouakchott Container Terminal, Mauritania of M/s. Arise Mauritania S A, awarded to Afcons Overseas Singapore Pte Limited., (Subsidiary of the Company).

vii. Construction of Access Controlled Nagpur-Mumbai Super Communication Expressway (Maharashtra Samrudhi Mahamarg) in the State of Maharashtra on EPC mode for Package 2, from Km 31.00 to Km 89.413 (Section-Village Khadaki Amgaon to Village Pimplagaon) in District Wardha of Maharashtra State Road Development Corporation Limited.

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

i. Construction of elevated structures (Viaduct & Stations) of length 9.859 km from Chainage 0.000 m to 9859.000 m and 6 Nos of elevated metro stations viz, Central Silk Board, HSR layout, Agara, Ibbalur, Bellandur, Kadubeesanahalli including road widening, Utility diversion and allied works of Bengaluru Metro Rail Project package Phase 2A/P1/60(a) & Construction of loops, ramps for road flyover at Central Silk Board junction of approx. length of 2.84 Km including Road widening & allied works in Reach-5 line (R5/P4) of Bengaluru Metro Rail Project, Phase-2 of Bangalore Metro Rail Corporation Limited of ₹ 785 crores.

ii. Provision of civil works for Construction of Outfitting cum trials jetty at SBC(V), at Visakhapatnam of Defense Research and Development Organisation (DRDO) of ₹ 192 crores.

iii. Engineering, Procurement and Construction (EPC) for Development of (1515/2149 Ha) in Mahama Sector (Lot 2) Water Pipeline & Electro-Mechanical Works at Republic of Rwanda of Rwanda Agricultural and Animal Resources Development Board, HUYE-Rwanda awarded to Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd Joint Venture, of which Company's share is ₹ 203 crores.

iv. Execution of Greater Male' Connectivity – Male' to Thilafushi Link Project at Republic of Maldives of Ministry of Finance Male of ₹ 3,742 crores.

v. Design, Procurement, Supply, and Construction of Vehicular Underpass at Reliance, Jamnagar between Reliance Greens (Township) and Refinery Complex over SH-25 of Reliance Industries Limited-Jamnagar Manufacturing division of ₹ 69 crores.

vi. Civil Works for Concentrator Plant at Tokadeh at Liberia of Arcelor Mittal Liberia Ltd. of ₹ 495 crores.

vii. Early works project at Buchanan, Liberia of Arcelor Mittal Liberia Ltd. of ₹ 110 crores.

viii. Lot_ABA: Construction of nine (09) Drinking Water Supply Systems (MVWSS) in the departments of Alibori, Borgou and Atacora at Republic of Benin, West Africa of Nation Rural Drinking Water Supply Agency (ANAEPMR) of ₹ 195 crores.

ix. Contract DC-07: Design and Construction of Underground UP & Down Tunnels by Shield TBM from end of Cut & Cover tunnel near Sangam Vihar metro Station up to existing Sarita Vihar Depot, Underground Ramp and Cut & Cover Tunnels near Sangam Vihar and Tughlakabad metro station and Underground Metro Stations at Maa Anandmayee Marg, Tughlakabad Railway Colony and Tughlakabad including Retrieval/Launching shafts on Aerocity Tughlakabad corridor at Delhi of Delhi MRTS Projects of Ph-IV of Delhi Metro Rail Corporation Limited of ₹ 1490 crores.

x. Contract DC-05: Design and Construction of Twin Tunnels by Shield TBM, Tunnel by Cut & Cover, Underground Ramp at Derawal Nagar and Six Underground stations Viz. Derawal Nagar, Ghanta Ghar, Pulbangash, Sadar Bazar, Nabi Karim & Ramkrishna Ashram Marg, including Architectural Finishing, Water supply, Sanitary installation, Drainage works of stations on Janakpuri West to R. K. Ashram Corridor (Line-8 Ext.) at Delhi of Delhi MRTS Projects of Ph-IV of Delhi Metro Rail Corporation Limited of ₹ 2,216 crores.

xi. Implementation of various rural water supply projects comprising of tube well, rising/pressure mains, CWRs, overhead tanks, distribution pipe networks, individual house connections, Electromechanical Works etc. located at state of Uttar Pradesh (Varanasi Division) of State Water & Sanitation Mission (SWSM), Lucknow of ₹ 3,000 crores.

xii. WP-03- Part 1: Improvement of Dharkhar to Akhaura Land Port Road (Ch: 00+000 m to Ch: 11+315 m) as 4-Lane National Highway including all structures, earthwork, foundation etc. Part-2 Performance Based Maintenance Works on Upgraded Dharkar to Akhaura Land Port Road (Ch: 00+000 m to Ch: 11+315 m) at Republic of Bangladesh of Roads and Highway Department of ₹ 618 Cores

xiii. Construction of Tunnels T11, T12 and T13, Bridges and Formation works from chainage 32+100 to 39+900, including slope Protection works, Earthwork in Cutting and Filling, Development of Station and Allied works in connection with Bhanupali-Bilaspur-Beri New Railway Line in District Bilaspur of Himachal Pradesh state, India of Rail Vikas Nigam Limited, Chandigarh of ₹ 682 crores.

xiv. Engineering, Procurement, Fabrication and Construction of Second Liquid Cargo Berth at GCPL at Dahej, Gujarat of Gujarat Chemical Port Limited of ₹ 1,659 crores.

xv. Design and Construction of Tunnel, seven underground Metro Stations including Architectural finishes on Corridor-1 of Agra MRTS Project at Agra, Uttar Pradesh, India for Agra Metro Rail Project awarded to Consortium of Afcons Infrastructure Ltd and Sam India Builtwell Private Limited of which Company's share is ₹ 943 crores.

xvi. Design and Construction of TBM Tunnel, Cut & Cover Tunnel, underground ramp elevated ramp and three underground metro stations including Architectural finishes on Corridor-1 of Kanpur MRTS Project at Kanpur, for Kanpur Metro Rail Project awarded to the Consortium of Afcons Infrastructure Ltd and Sam India Builtwell Private Limited of which Company's share is ₹ 485 crores.

3. CREDIT RATING

During the year, ICRA has assigned us the long term rating of "A+ (Negative)" and short term rating of "A1".

4. DIVIDEND

The Company has declared an Interim dividend to the equity shareholders @ 35% (i.e. ₹ 3.5 per equity share of ₹ 10 each) on the paid-up capital of ₹ 71,97,02,380 aggregating to total outflow of ₹ 25.19 crores for the financial year 2021-22. Your Directors recommend the members at the ensuing Annual General Meeting that the said Interim dividend on the equity shares as the final dividend for the financial year 2021-22.

The Directors recommend, for approval of members at the ensuing Annual General Meeting, the payment of dividend of 0.01% on the Convertible Preference Shares of the Company.

5. SHARE CAPITAL

(a) During the year under review, there was no change in the Company's Share Capital and total paid up share capital of the Company as on 31st March, 2022 was ₹ 521,97,02,380/-.

(b) Goswami Infratech Private Limited ("**GIPL**") is the holder of 25,00,00,000 (Twenty Five Crores) 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory, Preference Shares of the Company having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 250,00,00,000 (Rupees Two Hundred Fifty Crores only) and Floreat Investments Private Ltd. ("**FIPL**") is holder of 10,00,00,000 (Ten Crores) 0.01% Non-Cumulative and Non-Profit Participatory Convertible Preference Shares of the Company having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 100,00,00,000 (Rupees One Hundred Crores only). Both GIPL and FIPL have requested the Company to vary the terms of their aforesaid Convertible Preference Shares ("**CCPS**") held by them by deferring the Early Conversion Date for exercising the option of conversion of their respective CCPS from "any time on or after 31st July 2020 but prior to the Mandatory Conversion Date of 13th January 2024" to "at any time on or after 31st January 2023 but prior to the Mandatory Conversion Date of 13th January 2024".

Pursuant to the request of the aforesaid holders of CCPS and in terms of section 48 of the Act and Rules made thereunder, consent of the members is being sought at this Forty-Sixth Annual General Meeting to the said variation of terms of the aforesaid CCPS as requested by GIPL and FIPL.

6. SUBSIDIARIES/ ASSOCIATE/ JOINT VENTURE

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

(b) Pursuant to the decision of the Board of Directors of the Company in December 2016 to voluntary wind-up Afcons Saudi Construction LLC **("Afcons Saudi")**, a subsidiary of the Company set-up in the Kingdom of Saudi Arabia, Afcons Saudi has been liquidated and de-registered in Kingdom of Saudi Arabia in December 2021 and the registrations and licenses of Afcons Saudi before all of the related government authorities stand cancelled.

(c) During the year under review, pursuant to approval of Audit Committee and Board, the Company had subscribed 4,30,00,000 (Four Crore Thirty Lakh) equity shares of Shapoorji Pallonji Pandoh Takoli Highway Private Limited ("**SP Pandoh**") for ₹10/- each of an aggregate nominal value of ₹ 43,00,00,000/- (Rupees Forty-Three Crore only) pursuant to renunciation of Right issue by the existing shareholder Shapoorji Pallonji Roads Pvt. Ltd. Subsequently, during the year the Company has divested the aforesaid shares to group entity Shapoorji Pallonji Roads Pvt. Ltd.

(d) Pursuant to provisions of section 129(3) of the Companies Act, 2013, ("**Act**") and other applicable provisions, if any of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 a statement containing salient features of the financial statements of the Company's subsidiaries, associate company and joint venture in **Form AOC-1** is attached to financial statement of the Company.

Pursuant to provision of section 136, copy of separate financial statement of subsidiaries will be made available upon request of any Member of the Company who is interested in obtaining the same.

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

(f) There are no material changes in the nature of business of the Company or any of its subsidiaries or associates.

7. CORPORATE GOVERNANCE

Your Company, being a value driven organization, believes in coherent and self-regulatory approach in the conduct of its business to achieve the highest levels of good corporate governance practices. A report on Corporate Governance forms part of this Annual Report. The details of Committees of the Board, their composition, terms of reference and details of such committee meetings held during the year are provided in the Corporate Governance Report.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, is presented in a separate section which forms part of this Annual Report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

(a) During the year under review there was no change in the composition of Board of Directors of the Company. Subsequent to the financial year end 31st March 2022, Mr. Akhil Kumar Gupta (DIN - 03188873) Executive Director (Operations) has ceased to be associated with the Company w.e.f 30th June, 2022 (end of the business working hours).

(b) Mr. Shapoor P Mistry (DIN - 00010114) and Mr. K. Subramanian (DIN - 00047592), Directors of the Company are liable to retire by rotation at this Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

(c) The second term of appointment of the Independent Directors i.e. Mr. N. D. Khurody (DIN - 00007150) and Mr. R. M. Premkumar (DIN - 00328942) expires on 26th September, 2022. Upon expiry of their terms, Mr. N. D. Khurody and Mr. R. M. Premkumar shall cease to be Independent Directors of the Company.

(d) Based on recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 7th July, 2022 have appointed Mr. David Paul Rasquinha (DIN - 01172654) as Additional Director (Non-Executive & Independent Director) of the Company w.e.f. 7th July 2022. The Board of Directors at the said meeting of 7th July 2022 recommended to Members the appointment of Mr. David Paul Rasquinha as the Independent Director, not subjected to retire by rotation, for terms of 5 (five) consequent years effective from 7th July 2022 and upto 6th July 2027.

(e) Pursuant to recommendation of the Nomination and Remuneration Committee and subject to Member's approval at the ensuing Annual General Meeting, the Board of Directors of the Company at its meeting held on 30th June, 2022 have re-appointed Mr. Giridhar Rajagopalan (DIN - 02391515) as Whole-time Director designated as Deputy Managing Director for a further period of 3 (Three) years with effect from 1st July 2022 upto 30th June 2025.

(f) At the Forty- Fourth (44th) Annual General Meeting held on 30th September, 2020 the members of the Company had re-appointed and fixed the remuneration of Mr. K Subramanian as Executive Vice Chairman and Mr. S. Paramasivan as Managing Director for a period of 3 years from 1st July, 2020 to 30th June, 2023. Pursuant to the recommendation of the Nomination and Remuneration Committee and subject to Members approval at this Annual General Meeting, the Board of Directors at its meeting held on 7th July, 2022 have varied the terms of remuneration of Mr. K Subramanian and Mr. S. Paramasivan by enhancing the maximum limit of the aggregate value of salary and perquisite per annum to ₹ 6,87,00,000/ and ₹ 5,85,00,000/- respectively. All other terms of appointment and remuneration of Mr. K Subramanian and Mr. S. Paramasivan as approved by the members at the aforesaid Forty-Fourth Annual General Meeting remain unchanged.

(g) Details of proposal of the above appointment, re-appointment and variation of terms of remuneration are mentioned in the Notice of this Forty-Sixth Annual General Meeting.

10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration and other matters provided in section 178(3) of the Act is posted on the website of Companies at https://www.afcons.com/sites/default/files/2018-10/NRC%20Policy.pdf. Kindly refer to the heading "Nomination and Remuneration Committee" in the Corporate Governance Report for matters relating to constitution, meetings, functions of the Committee and salient features of the Policy.

11. STATEMENT ON EVALUATION OF PERFORMANCE OF DIRECTORS

Pursuant to the provisions of the Act, the Board of Directors has carried out the annual performance evaluation of its own performance, Board Committees and that of Individual Directors of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

12. DECLARATION FROM INDEPENDENT DIRECTORS

The Board has received declarations from the Independent Directors as per the requirement of section 149(7) of the Act, that there has been no change in the circumstances which may affect their status as independent director during the year and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in section 149(6) of the Act.

13. MEETINGS OF BOARD

Five (5) meetings of the Board were held during the financial year. The details of the meetings of the Board, are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134 of the Act, your Directors hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the Directors had prepared the annual accounts on a going concern basis; and

v. 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.

15. QUALITY, HEALTH, SAFETY & ENVIRONMENT

The Company firmly believes that the pursuit of excellence is one of the most critical components for a competitive success. With Quality, Health, Safety & Environment being an essential part of the Company's policy, it strives to deliver services by maintaining the highest level of Quality, Health, and Safety & Environmental Standards.

The policy of the Company is to conduct its construction business through an established Quality, Health, Safety & Environmental (QHSE) Management System, which aims to achieve customer satisfaction and, in the process, a continual improvement of Company's competencies and competitiveness.

The Company is certified for ISO 9001:2015 for Quality management System, ISO: 14001:2015 & ISO 45001:2018 for Occupational Health Safety & Environment Management System. All the three systems are well established, documented, implemented and maintained across the Company.

The Company has a commendable record in terms of safety at our various project sites and has received awards as well as appreciation letters from our clients, domestic and international associations which are detailed below:

i. British Safety Council (BSC) has awarded International Safety Awards for following four project sites for the year 2021.

- Nagpur-Mumbai Super Communication Expressway, Package-14 (NMSCE Pkg-14)
- Offshore Process Platform (Oil & Gas)
- Katra-Dharam 16 Bridge Project (KRCL)
- Pandoh Takoli Bypass Project

ii. The Royal Society for the Prevention of Accidents (RoSPA) has awarded International Safety Awards under Gold Category for the year 2021 for Katra-Dharam 16 Bridge Project (KRCL).

iii. Indian Chamber of Commerce (ICC) has awarded following awards:

a. Environment Excellence Award jointly for Ahmedabad UG Metro Project and NMSCE Pkg-14 (Igatpuri) Project

b. 3rd ICC National Occupational Health & Safety Awards 2021 Silver Certificate to NMSCE Pkg-14 (Igatpuri) Project

iv. Confederation of Indian Industry (CII) has awarded following awards:

a. Environment, Health and Safety Management (EHS) Excellence & Innovation (Construction sector) award for NMSCE Pkg-14 (Igatpuri)

b. SHE Excellence award (special recognition award) for Katra-Dharam 16 Bridge Project (KRCL) Project

c. Environment, Health and Safety Management (EHS) Excellence award 2021 (Gold Award) for Srinivasa Setu Project, Tirupati

v. Forum of Behaviour Base Safety(BBS) has conferred BBS award 2021 for WP-01 Bangladesh Road Project & NMSCE Pkg-14 (Igatpuri) project

vi. Global Safety Summit has conferred Environment Excellence award to Ahmedabad Metro (Elevated) Project

These awards are reflections of the strict HSE standards being followed and implemented at worksite and the commitment of the Company's management towards Quality, Health, and Safety & Environment.

16. AWARDS AND RECOGNITIONS

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

a. Most Innovative Knowledge Enterprise (MIKE) Award 2021 at Global, Asia and India levels for Knowledge Management practices of the Company for the Sixth year in a row.

b. CII Industrial Innovation Award 2021 was conferred on the Company Confederation of Indian Industry recognizing Company as the Top Innovative Company of the Year.

c. IEI Industry Excellence Award was conferred on the Company recognizing the Company as Industry leader for innovation and excellence in engineering operations.

d. ENR (Engineering News Records, USA) 2021 Top International Contractors Ranking has ranked the Company as 6th largest International Marine and Port Facility Contractor and ranked 21st in the largest Bridge Contractor in the World.

e. Construction World Global Awards 2021 for the Third Fastest Growing Construction Company in Large Category.

f. Global HR Excellence Award 2022 was conference by World HRD Congress for Excellence in Learning & Development and for Institution Building and also awarded Best Corporate Strategy Award to Mr. Hitesh Singh, Head-Corporate Strategy

g. Maharashtra State had conferred on the Company Best Employer Brand Award for managing health at work during COVID 19 pandemic.

h. CIDC Vishwakarma Awards 2021 has conferred Achievement Award for the Best Construction Project for Atal Tunnel, Rohtang and Mahatma Gandhi Setu.

i. Atal tunnel Project was awarded the National Project Excellence award at Project Management Associates (PMA) Awards 2021.

j. Construction Week India Awards 2021 has named Kanpur and Nagpur Metro Projects as Metro Rail Contractor of the Year.

k. At Chanakya awards Mr. Bivabasu Kumar received a Jury special award for most promising personalities in PR excellence

l. World CSR Day Congress & Awards has conferred three awards:

- Innovation in Irrigation Award to Annaram Barrage project at Kaleshwaram Irrigation project across Godavari river and
- Water Pipeline Project in Tanzania was named as Best Community Project of the Year in Water Sector.
- Mr. Satish Paretkar, Director, Business Unit Head – Hydro Underground & Water works, was named The Global Water Champion at the World CSR Day Congress & Awards.

17. **AUDITOR AND AUDITOR'S REPORT**

(a) **STATUTORY AUDITORS AND THEIR REPORT**

(i) Price Waterhouse Chartered Accountants LLP, Chartered Accountants (ICAI Firm Registration no. 012754N/N500016) **("PWC")** and HDS & Associates LLP, Chartered Accountants (ICAI registration no. W100144) ("**HDS**"), being the Joint Statutory Auditors of the Company, have conducted Statutory Audit of the Standalone and Consolidated Financial of the Company for the Financial year 2021-22.

The Audited Standalone and Consolidated Financial of the Company for the Financial year 2021-22 along with the Audit Report have been approved by the Audit Committee and by the Board of Directors of the Company at their meeting held on 29th July 2022.

The Statutory Auditor's Report on the Accounts of the Company for the financial year ended 31st March 2022 does not contain any qualifications.

(ii) PWC have been the Joint Statutory Auditors of the Company since financial year 2017-18 pursuant to their appointment at the Forty-First (41st) Annual General Meeting of the Company held on 27th September, 2017 for a period of five years which is expiring at this Annual General Meeting.

In compliance with the provision of section 139 and other applicable provision, if any, of the Act read with Rules made thereunder and based on the recommendation of the Audit committee, the Board of Directors at its meeting held on 29th August, 2022, have recommended the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration No.117366W/W100018) **("DHS LLP")** as one of the Joint Statutory Auditors, in place of PWC (the retiring joint Statutory Auditor of the Company), to hold office for a term of five (5) years effective from the conclusion of this Forty-Sixth (46th) Annual General Meeting till the conclusion of the Fifty-First (51st) Annual General Meeting to be held in the calendar year 2027.

DHS LLP have provided their respective consents, certificates and declarations as required under Section 139 and 141 of the Act and Companies (Audit and Auditors) Rules, 2014.

(iii) HDS has been appointed as one of the Joint Statutory Auditors of the Company for a second term of five years effective from the Forty-Fifth (45th)Annual General Meeting held on 27th September, 2021 till the conclusion of the Fiftieth Annual General Meeting to be held in the calendar year 2026. HDS have provided their respective consents, certificates and declarations as required under Section 139 and 141 of the Act and Companies (Audit and Auditors) Rules, 2014.

(b) **SECRETARIAL AUDITORS AND THEIR REPORT**

Pursuant to section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. Parikh Parekh & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2021-22. The report of the Secretarial Auditor is enclosed as **Annexure I** to this Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remark.

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

(c) **COST AUDITOR**

In terms of section 148 of the Act, read with Companies (Cost records and audits) Rules, 2014, as amended, your Company is covered under the ambit of mandatory cost audit.

On the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s. Kishore Bhatia & Associates, Cost Accountant (Firm Registration no. 00294) as the Cost Auditors, to carry out the cost audit for the Company in relation to the financial year from 1st April, 2022 to 31st March, 2023. The Company has received consent from M/s. Kishore Bhatia & Associates for their re-appointment.

The members consent is sought at this Annual General Meeting for ratification of the remuneration of the Cost Auditor for the financial year 2022-23.

18. **INTERNAL FINANCIAL CONTROLS**

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

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under section 133 and other applicable provisions, if any, of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable.

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

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

Pursuant to the provisions of section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 **("the Rules")** and other applicable provisions if any, the Company is required to transfer the amount of unclaimed/unpaid dividend lying with the Company to Investor Education and Protection Fund ("**IEPF**") established by the Central Government. Also, the shares in respect of which dividend is unclaimed for 7 consecutive years, is required to be transferred to IEPF Authority.

The Company has been regularly sending communications to Shareholders whose dividends are unclaimed, requesting them to provide/update bank details with RTA/Company, so that the dividends paid by the Company are credited to their account on time. Also, all efforts have been made by the Company in co-ordination with the Registrar to locate the shareholders who have not claimed their dividend.

Despite several reminders to the shareholders vide registered post at their registered postal addresses and also through newspaper advertisements calling upon the shareholders to claim their unclaimed dividends, there were 50 shareholders who haven't claimed dividend aggregating to ₹ 25,560 /- (Rupees Twenty-Five Thousand Five Hundred and Sixty only) for the financial year 2014-15 and which remained unclaimed for seven years as on 27th April 2022. Hence, the aforesaid unclaimed dividend of ₹ 25,560/- have been transferred to IEPF Authority.

The concerned equity shareholders can claim their aforesaid unclaimed dividend along with the dividend(s) by making an application to IEPF Authority in accordance with the procedure available on www.iepf.gov.in and on submission of such documents as prescribed under the IEPF Rules.

20. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Conservation of energy

Whenever you save energy, you not only save money, you also reduce the demand for such fossil fuels as coal, oil, and natural gas. Less burning of fossil fuels also means lower emissions of gases such as CO2, CO, HFC etc., the primary contributor to global warming, and other pollutants.

i. The Company is continuing its effort to convert all sites from fossil power to grid power thereby minimizing the carbon footprint. This has been implemented to all sites as per feasibility. The total conversion of fossil power of 65MVA by Grid power of 39MVA considering the sites. The reduction GHG (Green House Gas) emission by 40202 tonnes.

ii. The steps taken by the Company for utilizing alternate sources of energy - **NIL**

iii. The capital investment on energy conservation equipment - **NIL**

(b) Technology absorption

1. KWH meter become mandatory in all new and old panels installed at site to monitor energy consumption parameter, the work is in progress.

2. i. Automatic power factor correction panels installed at all sites where grid power is available used for maximum utilization of Energy.

   ii. At project sites and Corporate office, we have started implementing LED light fixtures for Area lighting & office area instead of Fluorescent Light fixtures

   iii. All sites started using 4 star and 5 star air conditioning system to minimise Energy consumption.

3. Imported technology (imported during the last three years reckoned from the beginning of the financial year) – **NIL**

(c) FOREIGN EXCHANGE EARNING AND OUTGO (Standalone) (₹ in crores)

	Current year	**Previous year**
Earnings	3,414.05	3,609.00
Outgo	3,077.47	3,064.95

21. PARTICULARS OF LOANS GUARANTEES OR INVESTMENTS

The Company is exempt from the provisions of Section 186 of the Act, except sub-section (1), pertaining to loans, guarantees and securities as the Company is engaged in the business of providing infrastructure facilities. In view of non-applicability of section 186 of the Act, the details required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. The investments covered under the provisions of section 186 of the Act, are disclosed in the financial statements.

22. RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year 2021-22 were on an arm's length basis and were in the ordinary course of business. All related party transactions are placed before the Audit Committee for approval.

In terms of section 134(3)(h) read with section 188(2) of the Act, there are no material related party transactions entered by your Company during the year, that individually or taken together with previous transactions during a financial year, exceed the prescribed limits under Rule 15(3) of Companies (Meeting of Board and its Powers) Rules, 2014, as amended. Accordingly, there being no information to be disclosed in AOC-2 format, the same is not enclosed. The disclosure of related party transactions is made in the financial statements of the Company.

23. EXTRACT OF THE ANNUAL RETURN

The Annual Return of the Company as on 31st March 2022 in Form MGT - 7 in accordance with section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at https://www.afcons.com/sites/default/files/2022-08/MGT-7.pdf .

24. VIGIL MECHANISM POLICY

In accordance with section 177(9) of the Act, read with rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Company has established a Vigil Mechanism Policy to provide a framework for responsible whistle blowing and for adequate safeguards against victimization of persons who use such mechanism. The said vigil mechanism policy is available on the website of the Company at https://www.afcons.com/sites/default/files/2022-05/Vigil%20Mechanism%20Policy.pdf .

25. RISK MANAGEMENT

The Company has in place a Risk Management Committee to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business and to ensure sustainable business growth with stability. The Company has formulated and implemented a Risk Management Policy. There is no risk identified which in the opinion of the Board may threaten the existence of the Company.

26. CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. The Company has framed Corporate Social Responsibility (CSR) Policy. A brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the financial year is enclosed as **Annexure II** to this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at https://www.afcons.com/sites/default/files/2021-06/CSR%20Policy%2028.05.2021.pdf

27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place policy for protection of the rights of Women at Workplace. An Internal Complaints committee has also been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act. During the year under review, no complaints pertaining to sexual harassment were received by the Company.

28. OTHER DISCLOSURES/REPORTING

a) No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Buyback of shares.
- Scheme of provision of money for the purchase of Company’s own shares by employees or by trustees for the benefit of employees
- Employee Stock Options Scheme.
- Invitation or Acceptance of fixed Deposit from public or shareholders.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither the Managing Director nor the Whole-Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

b) There are no significant and material orders passed by the regulator or courts or tribunal impacting the going concern and its operation in future.

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

29. ACKNOWLEDGEMENT

Your Directors would like to acknowledge with gratitude the continued support and co-operation received by the Company from its Clients, Bankers, Financial Institutions, Government authorities, Employees and its valued Investors.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

	S. Paramasivan	**R. Giridhar**
Place: Mumbai	**Managing Director**	**Deputy Managing Director**
Date: 29th August, 2022	**Din: 00058445**	**Din: 02391515**

Annexure I to Boards' Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,

The Members,

Afcons Infrastructure Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Afcons Infrastructure Limited (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2022 according to the applicable provisions of:

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

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:-

1. Contract Labour (Regulation and Abolition) Act, 1970
2. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
3. Contract Labour (Regulation and Abolition) central rule, 1971

We have also examined compliance with the applicable clause of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings which have been complied by the Company.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There have been no change in the composition of the Board of Directors during the period under review.

Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

The Company has made full redemption of the following Non-Convertible Debentures ("NCD"):

i. Repaid ₹ 90 Crore pertaining to 8.60% Unsecured Redeemable Unlisted Non-Convertible Debenture of ₹ 10,00,000/- each

ii. Repaid ₹ 85 Crore pertaining to 8.65% Non-Convertible Debenture of ₹ 10,00,000/- each.

For Parikh Parekh & Associates
Company Secretaries

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: F010619D000864010
PR No.: 723/2020

Place: Mumbai
Date :August 29, 2022

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

'Annexure A'

To,
The Members
Afcons Infrastructure Limited
Our report of even date is to be read along with this letter.

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

For Parikh Parekh & Associates
Company Secretaries

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: F010619D000864010
PR No.: 723/2020

Place: Mumbai
Date : August 29, 2022

Annexure II to Boards' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **Brief outline on CSR Policy of the Company**

   Afcons' CSR Policy aims at implementing its CSR activities in accordance with section 135 of the Companies Act, 2013 and the Rules thereunder. The CSR Committee periodically reviews the implementation of the CSR activities of the Company. The CSR Policy is available on the website of the Company at www.afcons.com and the web link: https://www.afcons.com/sites/default/files/2021-06/CSR%20Policy%2028.05.2021.pdf.

2. **The Composition of the CSR Committee** :

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr.K.Subramanian	Executive Vice Chairman	Chairman	3	2
Mr.P.N.Kapadia	Independent Director	Member	3	3
Mr. Umesh Khanna	Non-Executive Director	Member	3	3

3. **Web links where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company**:

   - The composition of the CSR committee is available on our website at https://www.afcons.com/en/investors
   - The Committee, with the approval of the Board, has adopted the CSR Policy as required under section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website at

     https://www.afcons.com/sites/default/files/2021-06/CSR%20Policy%2028.05.2021.pdf.

4. **Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** NOT APPLICABLE

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	2020-21	1,34,53,000	1,34,53,000

6. **Average net profit of the Company as per Section 135(5) for last three financial years**: (7,077.86) Lakhs

7. a. **Two percent of average net profit of the Company as per Section 135(5):** NIL

   b. **Surplus arising out of the CSR projects or programs or activities of the previous financial years:** NIL

   c. **Amount required to be set-off for the financial year, if any**: ₹ 1,34,53,000/-

   d. **Total CSR obligation for the financial year (7a+7b-7c):** ₹ (1,34,53,000/-)

8. (a) **CSR amount spent or unspent for the financial year**: NOT APPLICABLE

Total Amount Spent for the Financial Year (₹ crore)	Amount Unspent (₹ crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NOT APPLICABLE					

   (b) **Details of CSR amount spent against ongoing projects for the financial year**: NOT APPLICABLE

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation – Through Implementing Agency	
				State	District					Name	CSR Registration number
NOT APPLICABLE											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple-men-tation - Direct (Yes/ No)	Mode of Implementation – Through Implementing Agency	
				State	District					Name	CSR Registration number
1.	Promoting health care including preventive health care.	(i)	No	Maha-rashtra	Nanded	N.A.	70,00,000	--	Yes	Shri Guru Gobindsingji District Hospital, Nanded	N.A.
2.	Promoting health care including preventive health care.	(i)	Yes	Gujarat	Junagadh	N.A.	82,000	--	Yes	Chhara Village Panchayat and Primary Health Care Centre, Panadar	--
	Total						**70,82,000**				

(d) Amount spent in administrative overheads: NIL

(e) Amount spent on impact assessment, if applicable: NOT APPLICABLE

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 70,82,000/-

(g) Details of excess amount for set-off are as follows:

Sr. No.	Particular	Amount (in ₹) 2020-21	Amount (in ₹) 2021-22
1	Two percent of average net profit of the Company as per Section 135(5)	Nil	Nil
2.	Total amount spent for the Financial Year	1,34,53,000	70,82,000
3.	Excess amount spent for the financial year [(ii)-(i)]	1,34,53,000	70,82,000
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]#	1,34,53,000 (a)	70,82,000 (b)

#Note: The total amount available for set off is (a+b) ₹ 2,05,35,000/-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in Succeeding financial years
				Name of the Fund	Amount	Date of transfer	
1	2018-19	24,00,000	₹ 24,00,000/- was spend in 2019-20	Not Applicable	Nil	-	Nil
2	2019-20	Nil	₹ 1.47 crores	Not Applicable	Nil	-	Nil
3	2020-21	Nil	Nil	Nil	Nil	-	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NOT APPLICABLE.

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

    (a) **Date of creation or acquisition of the capital asset(s)** : NONE

    (b) **Amount of CSR spent for creation or acquisition of capital asset** : NIL

    (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.** : NOT APPLICABLE

    (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)** : NOT APPLICABLE

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) :** NOT APPLICABLE

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

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY: OVERVIEW

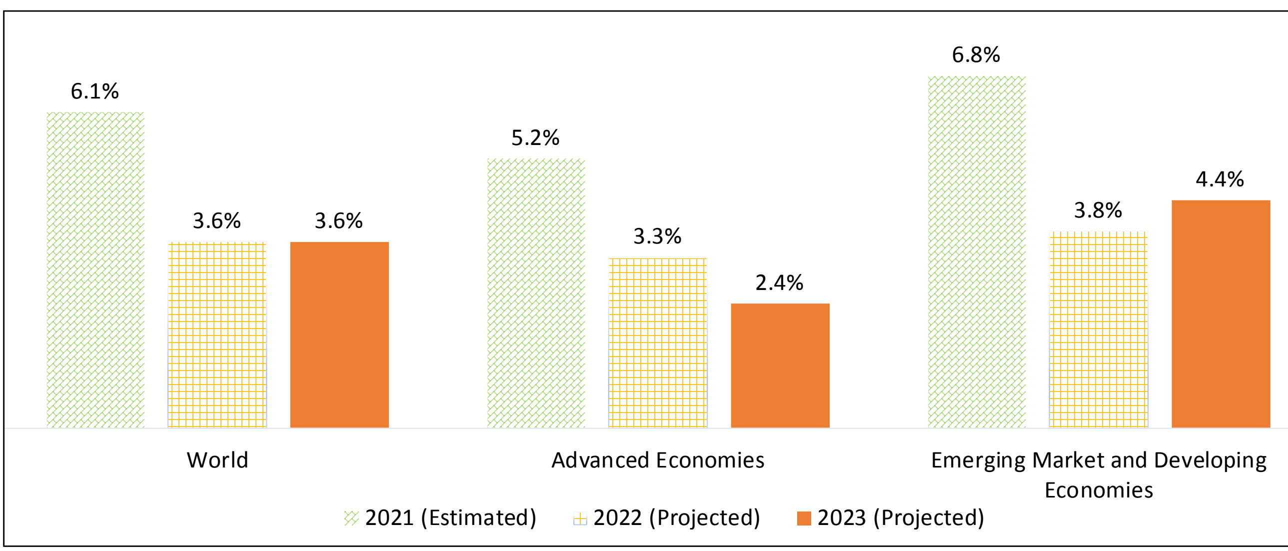
Countries across the world have been severely impacted due to the Covid-19 pandemic. Lockdowns induced from pandemic caused supply chain disruptions globally. Rising commodity prices along with logistical challenges has been a frequent phenomenon over last couple of years. However, the breakthrough in developing vaccines against Covid-19 was a bright spot in the fight against the pandemic. Pandemic witnessed collaborative efforts between scientific communities, governments, companies, societies, and other communities. Faster pace and wider reach of vaccination played a crucial role in gradual shift towards normalcy. Business confidence soared and both instances and intensity of lockdowns reduced across the world. New variants of Covid-19 pandemic have caused some concerns in some regions but mostly the impact has been localized and short lived.

Global growth seemed to be on the recovery path as the devastating effects caused by pandemic wane down. After experiencing contraction in 2020, world GDP grew by 6.1% in 2021 as per IMF. However, the Russia – Ukraine war has derailed the global recovery. War in Ukraine has led to extensive loss of life, caused serious food insecurity across regions, resulted in rise in oil prices and has significantly set back the global recovery. As the world was already facing logistics & supply chain issues and high commodity prices, the ongoing war has exacerbated these challenges. Rising inflation globally along with slower growth prospect in coming years poses a serious possibility of stagflation. Elevated levels of inflation are expected to complicate position of central banks to manage rising prices and safeguard growth.

India's neighbouring countries are facing their own set of unique challenges. Foreign exchange reserves are under pressure eliciting import restrictions in countries like Sri Lanka, Nepal, Pakistan. Along with political turmoil, Sri Lanka is also facing a dual balance of payments and sovereign debt crises.

As per IMF, world GDP is projected to grow by 3.6% in 2022 & 2023. Global financial conditions have tightened with rising borrowing costs and growth is dampened by rising energy prices, rising inflation, less favourable financial conditions, and supply chain disruptions. Advanced economies are forecasted to slow down to 3.3% in 2022 and 2.4% in 2023. In several advanced economies like US and some European countries inflation has become a major concern with inflation rate rising to its highest level in more than 40 years. Growth in emerging markets and developing economies, after posting a strong rate of 6.8% in 2021, is projected to fall to 3.8% in 2022 and then pick up to 4.4% in 2023. In current uncertain times, effective national level policies and multilateral efforts have gained more significance than ever to shape economic outcomes. Governments at various levels – national, state, local across the world along with central banks are proactively taking steps to ensure global growth recovery.

Real GDP Growth Rate



Source: World Economic Outlook Apr 2022, IMF

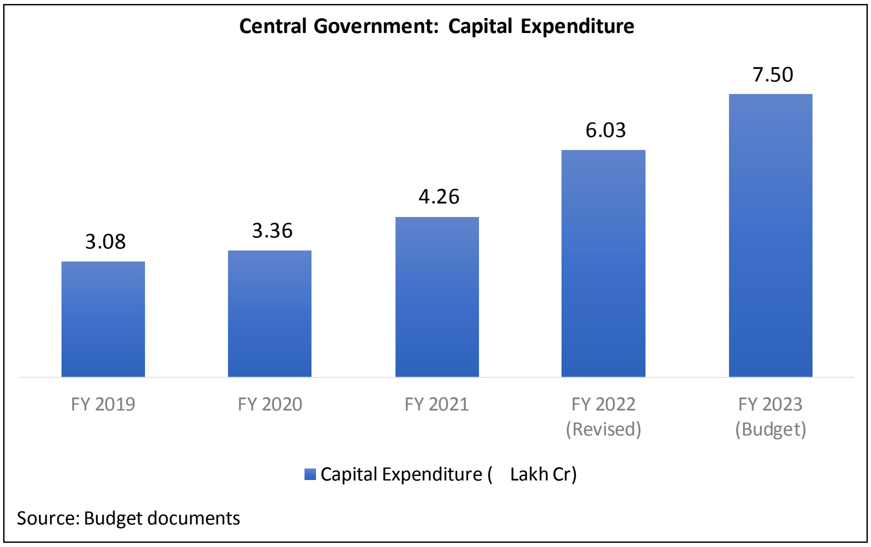
INDIAN ECONOMY: OVERVIEW

According to the provisional estimates by National Statistical Office (NSO), Indian economy grew by 8.7% in FY 2021 – 22. With this robust growth, real GDP of India in FY 2021-22 exceeded the pre Covid-19 pandemic (2019-20) level. Most of the sectors have also surpassed their respective 2019-20 levels. After significant contraction in FY 2020-21, domestic economy rebounded strongly with support from various government initiatives and strong private consumption.

In the ongoing year FY 2022-23, RBI expects real GDP to grow by 7.2%. Growth in India is expected to be supported by fixed investment undertaken by private sector, and reforms and incentives launched by government to improve business environment. Indian economy is expected to face headwinds from global spillovers in the form of protracted and intensifying global tensions, elevated commodity prices, rising input costs, tightening global financial conditions, and Covid-19 related lockdowns in major economies.

UNION BUDGET FY 2022 – 23

Indian government continued to maintain its focus on infrastructure sector and reinforced its commitment in infrastructure spending as a force multiplier for a sustained economic growth. This year budget has substantially increased allocation to capital expenditure to ₹ 7.5 Lakh Crores 35.4% higher than previous year's outlay of ₹ 5.54 Lakh Crores. Outlay for FY 2022-23 is estimated to be around 2.9% of GDP. Government has also allocated ₹ 1 Lakh Crores for providing 50-year tenure interest free loans to states for catalysing overall investments in the economy.



Budget FY 2022-23 continues to provide impetus for growth. It lays the foundation and gives a blueprint to steer the economy over the Amrit Kaal of the next 25 years – from India at 75 to India at 100. Budget aims to lay parallel track of big public investment for modern infrastructure, readying India @100 for 2047. Budget highlights four priorities moving forward: PM GatiShakti; Inclusive Development; Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action; and Financing of Investments. PM GatiShakti is driven by seven engines viz, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. PM GatiShakti – National Master Plan for Multi-modal connectivity will provide digital platform to 16 ministries including roads and railways for integrated planning and coordinated implementation of infrastructure connectivity projects. This initiative will incorporate the infrastructure schemes of various ministries and state governments like Bharatmala, Sagarmala, Inland waterways, UDAN, etc. This will address issues through institutionalising holistic planning for stakeholders for major infrastructure projects and ensure that projects are designed and executed with a common vision.

Leveraging multimodal infrastructure to reduce overall logistics cost and thereby improving India's competitiveness is one of the key focus areas. Government announced in the budget that it plans to award multimodal logistics park at four locations through PPP mode in current fiscal year. National Highways and Logistics Management Ltd (NHLML), a SPV owned by NHAI, has planned 35 multimodal logistics parks across the country with the capital allocation of ₹ 50,000 Cr and is targeting to award 15 contracts on PPP basis. One hundred PM GatiShakti Cargo Terminals for multimodal logistics facilities are planned to be developed during the next three years.

India has taken ambitious targets to tackle climate change. At the COP 26 meet PM announced that India by 2030 would increase its non-fossil fuel energy capacity to 500 GW, meet 50% of energy requirements from renewable sources, reduce carbon intensity of economy by 45%, and reduce total projected carbon emission by 1 billion tonnes. India also pledged net-zero carbon emissions by 2070. In line with this, budget stated that sovereign green bonds will be issued for mobilizing resources for green infrastructure and the funds will be used to reduce carbon intensity of the economy.

Funding infrastructure projects is a key challenge and government has taken several steps to ease the financing needs. Indian government had announced National Monetization Pipeline (NMP) to raise funding for investment in infrastructure projects. Target was to monetize assets worth ~ ₹ 6 Lakh Crores over FY 2022 – 2025 with NMP expected to finance around 5.4% of total National Infrastructure Pipeline. Government has also already surpassed its asset monetization target of ₹ 88,000 Crores in FY 2022 with estimated total deals worth ~₹ 96,000 Cr completed in last financial year. With monetization target of ₹ 1.6 Lakh Crores in FY 2023, NMP will play crucial role in bridging financing gaps for infrastructure projects.

INDIAN CONSTRUCTION INDUSTRY: STRUCTURE AND DEVELOPMENT

Construction sector in India contributes ~ 7.9% overall Gross Value Added (GVA) in FY 2021 – 22 as per NSO, Ministry of Statistics and Programme Implementation (MoSPI). Construction industry plays a significant role in providing employment in the country as it is 2nd biggest employer after agriculture. After registering a contraction of 7.3% in FY 2020-21 on account of lockdowns induced by COVID-19 pandemic, construction sector grew by 11.5% in FY 2021-22 as per NSO. With this growth, construction industry at ₹ 10.7 Lakh Crores of GVA in FY22 has moderately increased compared to pre-pandemic level of ₹ 10.4 Lakh Crores in FY20.

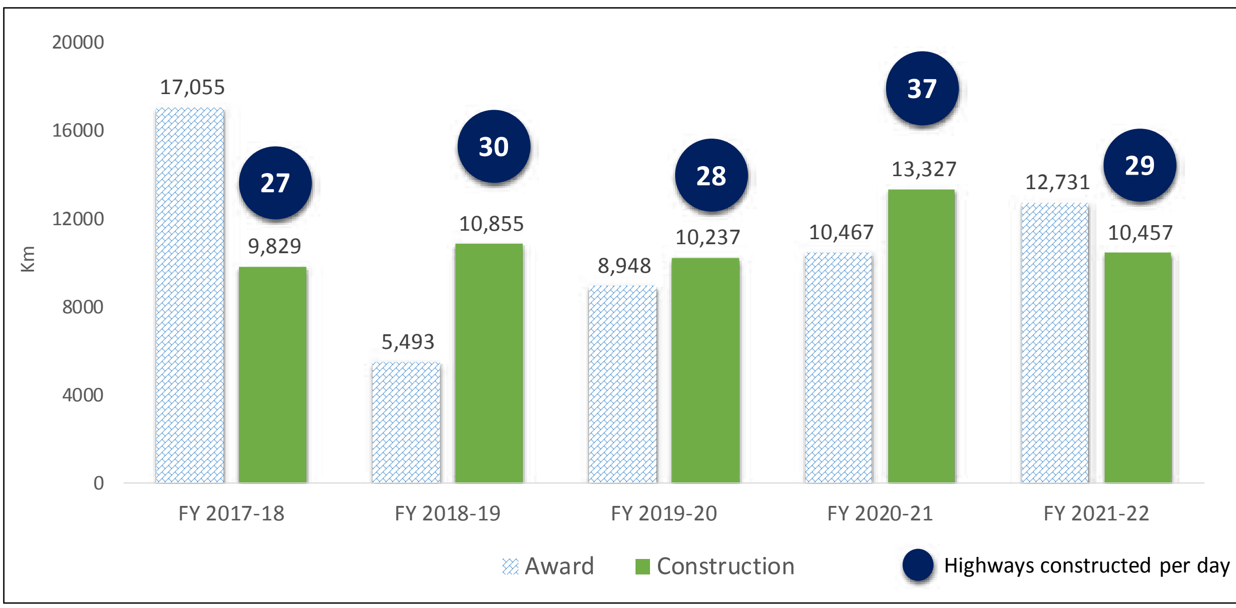
India's construction sector is expected to normalise from 2022, following a sharp V-shaped recovery in 2021 due to low base effect. As per Fitch Solutions, domestic construction sector is expected to grow in the range of 6 – 6.6% over coming decade underpinned by strong macroeconomic and demographic fundamentals, supportive regulatory policies, and rising public and private investment.

Despite Covid-19 pandemic, road construction witnessed the best year in terms of road construction in FY21 with ~ 37 km of highways constructed per day. However, in last fiscal year FY22 momentum of construction activity of highways slowed down to 29 km of highways per day. This was primarily due to prolonged monsoon and severe 2nd wave of Covid-19. Government focus over last few years has been on constructing wider highways. Pace of construction of four, six and eight lane highways has increased more than 300% in last seven years. There is strong drive on developing greenfield projects and construction of economic corridors and expressways.

SURFACE TRANSPORT

Roads

National Highways: Award & Construction



Source: Ministry of Road Transport & Highways (MoRTH)

Union Budget FY 2022 – 23 continued its past trend of increasing budgetary allocation to Ministry of Road Transport and Highways (MoRTH). A record ₹ 1.99 Lakh Crores allocated to MoRTH reflects strong drive by government on roads and highways. Budget highlighted that highways network in India is to be expanded by 25,000 km in FY 2022-23. PM GatiShakti Master plan for expressways is anticipated to be formulated to facilitate faster movement of goods and people.

Indian government has taken ambitious targets for developing highways across the country. Hon'ble Minister of Road Transport and Highways Mr. Nitin Gadkari has stated that the ministry will target to construct 18,000 km of highways in 2022 – 23 at a record speed of 50 km per day. Ministry is also targeting to award 18,000 km of road projects in current fiscal year. Government aims to expand highways network in India to 2 Lakh km by 2025.

In FY 2022, NHAI, the nodal agency of developing highways, awarded most projects in last three years. Out of the ~ 6,300 km projects awarded in last fiscal, 55% were awarded on hybrid annuity mode (HAM) while ~44% of projects were awarded on EPC basis. Recent changes done by government in BOT model concession agreement resulted in few projects being awarded on BOT basis as well. In current fiscal year FY 2023, NHAI plans to award 6,500 km of highways and has taken a target of constructing 5,000 km of new highways. NHAI expects most of the award, ~ 60%, on HAM model while EPC projects are expected to be 30% and BOT projects to cover remaining 10%.

Railways

Union Budget FY 2022 – 23 allocated ~ ₹ 1.4 Lakh Crores to Ministry of Railways, which includes a record outlay of ₹ 1.37 Lakh Crores towards railway capital expenditure. Railways will plan to develop efficient logistics services and take lead in integrating postal and railways networks to provide seamless solutions for movement of parcels. Government has planned to bring 2,000 km of network under Kavach, the indigenous world class technology for safety and capacity augmentation in current fiscal year. Finance Minister in her budget speech also announced that 400 new generation Vande Bharat trains with enhanced efficiency and passenger riding experience will be manufactured in three years. These 400 new trains are expected to entail investment of ~ 40,000 Crores over next three years. Vande Bharat trains are semi-high-speed train and are self-propelled – do not require an engine.

Indian Railways prepared a National Rail Plan (NRP) to create a future ready railways system by 2030. NRP is aimed to formulate strategies based on both operational capacities and commercial policy initiatives to increase share of railways in freight to 45%. The objective of the Plan is to create capacity ahead of demand, which in turn would also cater to future growth in demand right up to 2050. As per NRP, Vision 2024 has been launched for accelerated implementation of certain critical projects by 2024 such as 100% electrification, multi-tracking of congested routes, upgradation of speed to 160 kmph on Delhi-Howrah and Delhi-Mumbai routes, upgradation of speed to 130 kmph on all other Golden Quadrilateral-Golden Diagonal (GQ/GD) routes and elimination of all level crossings on all GQ/GD route. 58 super critical projects of a total length of 3,750 km costing ₹ 39,663 Crores and 68 critical projects of a total length of 6,913 km costing ₹ 75,736 Crores, have been identified for completion by 2024.

URBAN INFRASTRUCTURE

There have been significant investments across cities in India for developing metro systems. India has ~ 750 km of operational metro network spread across 15 cities. This is further expected to grow to 1,900 – 2,000 km over next five years. ~ 1,400 km of metro projects worth ₹ 2 Lakh Crores are under approval / proposal stage. ~ ₹ 80,000 Crores of metro opportunity is available for construction companies in next five years as per ICRA Research.

Various multilateral agencies along with central government and respective state governments are funding Mass Rail Transport Systems (MRTS) in India. MRTS offers a sustainable solution to the transportation challenges in urban centres in India. Budget has made allocation of ₹ 23,875 Crores for MRTS projects in 2022-23, which includes all metro projects along with regional rapid transit system (RRTS) being implemented in NCR. Multimodal connectivity between mass urban transport and railway stations will be facilitated on priority. Government plans to standardize design of metro systems including civil structures for Indian conditions.

MARINE & INDUSTRIAL

Port sector in India was able to retain momentum in activity despite disruptions due to Covid-19 lockdowns. Although traffic at ports witnessed decline with onset of pandemic, first half of 2021 – 22 registered a sharp recovery.

Ministry of Ports, Shipping & Waterways launched Maritime India Vision 2030 (MIV 2030) – a blueprint to accelerate growth of maritime sector and propel India to the forefront of the global maritime sector over next decade. MIV 2030 envisions an overall investment of ₹ 3 – 3.5 Lakh Crores across ports, shipping, and inland waterways categories. MIV 2030 identifies 150 initiatives covering 515 key activities across various maritime sub-sectors like ports, shipping, and waterways. Ports related initiatives focus on capacity augmentation, operational efficiency improvement, port-driven industrialization and creating safe and sustainable world class ports to address growing trade volume needs while reducing logistics cost through better evacuation and cost-effective processes. Shipping related initiatives focus on growing sectors related to ship building, recycling & repair as well as growing India's global stature as a maritime power. Waterways initiatives are targeted to increase multi-modality and share of inland waterway borne freight movement and passenger movement in the country.

HYDRO & UNDERGROUND

Hydro

In 2022, hydropower capacity of 46.5 GW has ~ 12% share in total power capacity in India. There is a huge scope of increasing existing hydro power capacity in the country considering that India ranks 5th globally in terms of exploitable hydro-potential. India has a potential hydro capacity of ~ 150 GW. Several hydropower projects are stuck due to contractual conflicts, environmental litigations, financing issues. Hydro power is one of the key areas to fulfil India's renewable energy ambitions.

Water

Government under its ambitious program – *Har Ghar, Nal Se Jal* has covered total 8.7 Crores households. Budget 2022-23 allocated ₹ 60,000 Crores with an aim to cover 3.8 Crores households in current financial year. Finance Minister in her budget speech announced that Ken-Betwa River linking project at an estimated cost of ₹ 44,605 Crores will be implemented. Budget allocated ₹ 4,300 Crores in 2021-22 (revised estimates) and ₹ 1,400 Crores in 2022-23 for this project. Draft detailed project reports (DPRs) of five rivers viz. Damanganga-Pinjal, Par-Tapi-Narmada, Godavari-Krishna, Krishna-Pennar and Pennar-Cauvery have also been finalized.

OIL & GAS

India is planning to more than double the area under exploration and production of oil & gas to 0.5 million square km by 2025 and to 1 million square km by 2030. These plans are in line with government objective of increasing domestic output and cutting down reliance on oil imports. Government had announced several policy measures to reduce oil imports such as introducing hydrocarbon exploration licensing policy, setting up national data repository, allowing contractual flexibilities with production sharing contracts. In its drive towards clean energy, India is planning investments in natural gas sector and is committed to increase share of natural gas in total energy production to 15% by 2030 from current 6%.

GLOBAL CONSTRUCTION INDUSTRY

Global construction sector is expected to continue its recovery in 2022 and following years, with growth projected to moderate compared to 2021 as base effects normalise. As per Fitch Solutions, after growing by 5.6% in 2021 on account of low base effect, the global construction industry is set to grow by 3.6% in 2022 and 3.2% in 2023. Supply chain disruptions and elevated levels of input costs as well as rising interest rates are likely to be headwinds in the short term.

Global construction growth is expected to be supported by improving macroeconomic conditions and rising public and private investments. Transport segment will be driven by efforts to expand existing networks and to reduce carbon emissions from transport sector as global decarbonization efforts advance. In developing markets, especially in Africa and Asia, most of the transport infrastructure investment will be focused on building new infrastructure assets across road, rail, ports and on expanding infrastructure networks. On the other hand, in developed countries with matured infrastructure, focus will be on repair and modernizing of existing infrastructure assets base. Developed markets, especially Europe, are expected to lead significant investments in decarbonising transport infrastructure.

African countries offer significant opportunities in the infrastructure construction, especially in the transport and energy segment along with water. Governments across Africa are likely to improve connectivity, particularly in rural areas, as a part of efforts to improve mobility, expand access to government services and to support local industries including export-oriented commodities. Construction of railway lines in facilitating trade and mineral exports through regions / countries are likely to be prioritized by respective governments.

Although governments and multilateral /bilateral development agencies are funding several infrastructure projects in Africa, several African countries face challenges on financing front. Covid-19 pandemic induced moratorium on debt obligations of few countries along with increased default risks poses a serious concern of arranging financing and likelihood of delay of infrastructure projects. Shrinkage of global growth prospects on account of increased uncertainty around Russia-Ukraine war, rising inflation, higher commodities prices, and continued supply chain issues, can likely impact infrastructure sector as governments would reduce infrastructure investments, and this can lead to reduced project procurement.

Among regions, Sub-Saharan Africa construction sector is expected to grow at highest rate among globally at average rate of 5.7% over next decade. Construction industry in Tanzania and Nigeria is projected to witness substantial growth. Higher oil prices and rising hydrocarbons output will likely support construction activities in Middle East and North Africa countries. Egypt's construction sector is forecasted to witness robust growth of 11% in 2022 and 9% in 2023 as per Fitch Solutions. With muted economic growth outlook and limited public spending, construction in Latin America is likely to see modest growth compared to other developing regions. Construction in Asia continues to have a strong outlook and is estimated to grow by 4.8% in 2022 and 4.2% in 2023. Construction industry in all regions except Latin America is expected to reach pre-pandemic levels in 2022.

Global – Construction industry real growth rate *(2019 – 2023)*

Region	2019	2020	2021e	2022f	2023f
Asia Pacific	3.3%	0.7%	5.7%	4.8%	4.2%
Europe	1.2%	– 5.1%	5.9%	2.6%	2.1%
Latin America	– 1.5%	– 15.8%	12%	4%	3.4%
Middle East and North Africa	4.1%	– 1.8%	6.1%	5.3%	4.5%
North America	1.2%	– 3.4%	4.4%	2.3%	1.7%
Sub-Saharan Africa	3.3%	– 1.1%	4.7%	5.4%	5.7%

e: estimated; f: forecasted

Source: Fitch Solutions

On a long-term basis, global construction industry is projected to witness annual average real growth of 3.3% over next decade (2022-2032). Transport infrastructure is likely to be driving force of infrastructure investment globally. Within transport roads, bridges, and rail infrastructure will be the primary investment sub-segments across regions globally.

BUSINESS OVERVIEW

Afcons bagged new projects worth ₹ 16,884 Crores in FY 2021–22. Pending order book position of company as on 31st March 2022 stands at ₹ 32,805 Crores.

Domestic competitive intensity continued to rise with several clients relaxing financial terms for prequalification. There has been increasing number of participants, especially in EPC road and elevated metro projects. Several projects witnessed intense competition with underbidding below client estimates. Few projects were awarded below client estimates through reverse tendering method. This is likely to pose serious profitability concerns for companies winning projects below client estimates going forward. In international markets, there are substantial opportunities present across segments. Afcons is recognized as a credible construction company in international markets. Afcons is ranked 6th largest international marine and port facilities contractor and 21st largest Bridge contractor in the world as per ENR's (Engineering News-Record, USA) 2021 Top International Contractors Rankings. Existing pending order book provides Afcons with a revenue visibility for next 3 years. Afcons projects are well spread across countries – India, Africa, Middle East, South Asia. Afcons has entered several new countries viz. Rwanda, Benin. Even in India, projects are located across different states. Afcons businesses are managed across business units and sub-segments, the projects are diversified and there is no dependence on one geography or a single business unit.

At the core of its strategy, the Company aims to become a Knowledge Enterprise. On its journey towards becoming a Knowledge Enterprise, Afcons has made substantial progress. Afcons won the MIKE (Most Innovative Knowledge Enterprise) award for three levels – Global, Asia and India in 2021 as well. This is the sixth successive year when Afcons has won this prestigious award at all three levels – MAKE award (Most Admired Knowledge Enterprise, now discontinued and followed by MIKE award) in 2016 & 2017 and MIKE award in 2018, 2019, 2020 and 2021.

RISK AND CONCERNS

A. Global Events

- Uncertainly concerning Russia – Ukraine war.
- Increasing commodities and energy prices can further stoke the already rising inflation. Rising inflation can significantly impact the profitability of ongoing projects due to higher input costs. This can also delay new project procurement and impact business development targets in current financial year.
- Overall global recessionary outlook marked by shrinkage of global growth prospects can impact new business development and diminish overall order procurement.
- Flight of capital from developing countries.
- Disruption of global supply chain.
- Economic and political uncertainty in several countries.
- Possibility of new dangerous variant of Covid-19 emerging resulting in severe disruptions and stringent lockdowns.
- Substantial rise in key raw material prices. Growing concern from high inflation across the countries.
- Diversion of funds from infrastructure projects towards prioritized segment like social infrastructure, health infrastructure.
- Preference towards localization and favoring local companies can result in discouraging award of new projects to foreign companies.
- Implementation of protectionist policies and waning of globalization can impact international trade and raise artificial barriers.

B. Domestic Events

- Inflation, if not brought within the acceptable limits, can pose significant risks to profitability. Substantial hike in the rise of several key raw material like steel, cement can impact bottom line as complete escalations are not covered. Even in case of escalation contracts, the pass through can take some time to materialize thereby creating working capital challenges.
- Continued aversion by banks and financial institutions for lending towards EPC companies.
- Continued rising rates by RBI can result in increased financing cost.
- Non-release of blocked up funds with government clients on account of arbitration.
- Disruption of supply chain and logistical challenges.
- Unjust contractual conditions set by clients.
- Shortage of skilled and semi-skilled labour at construction sites due to large scale labour migration. In the short to medium terms margins can fall with rise in labour costs.
- Government reducing capital expenditure.
- Foreign currency exchange risk.

OUTLOOK

As operations has gone back to normalcy, growth has returned and there is an optimistic outlook about business going forward. With strong focus of government on infrastructure investment in India, there is continued business opportunities. Internationally, there are several attractive markets such as countries in Africa, neighbouring countries like Bangladesh, Bhutan. In the current year, Afcons will work with utmost priority to chart growth plan and maintain focus on operations to deliver projects ahead of schedule or on time. Afcons would continue its strategy to expand in overseas markets and would further strive to increase international operations. Global recessionary outlook along with covid-induced moratorium on debt obligations and rising default risks in several African countries can impact new order procurement in current financial year as Afcons continues to target overseas opportunities. The likelihood of deferment of new projects can pose, although temporarily, severe challenges to business development.

The Company is confident to continue its growth path and deliver challenging projects ahead of schedule or on time with desired quality in India and overseas markets.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The Company is maintaining an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and ensuring compliance with all laws and regulations. The internal control system is managed through continuous internal audit by external professionals who conduct audits of Project sites of the Company throughout the year to test the adequacy of the internal systems and suggest continual improvements. All significant audit observations and follow up actions are reported to the Audit Committee along with Internal Audit reports and managements responses/replies thereon. The operational control exists through well laid out system of checks and balances and hierarchy of reporting from site level to central management groups to the senior management and the Directors.

HUMAN RESOURCES DEVELOPMENT

The Company continues to excel in the field of Human Capital management with unique practices in the Infrastructure Industry. The Company strives to achieve the highest levels of employee engagement with multiple focussed initiatives towards effective training and development of employees at various levels. The healthy status of the Company's human capital is evident from the trend analysis of achievement, higher productivity with stable employee numbers and low attrition rate vis-a-vis industry competitors.

Our HR policy derives its mission statement from the Company and focuses on:

- **Transnational Presence**: The Afcons family presently comprises of employees from more than Twenty nationalities at our projects in more than 17 countries. We believe in equal opportunity and gender equality. We strive to be an equal opportunity employer and at present, Afcons employs more than 100 local women in overseas projects which is a rarity in the infrastructure industry.
- **Innovation**: We are fully equipped for the next level of Human Capital requirement with the digitisation of all processes in an employee lifecycle, starting from recruitment to separation.
- **Value Creation**: We strive to align employees with the strategy & goals of the organization. With unique employee engagement initiative, employees are informed about the strategic direction of the organization and aligned with the organization's DNA.
- **Stakeholders**: Afcons and Afconians proactively and selflessly participate in community engagement activities. Many initiatives have been taken to boost employee morale & engagement like monthly project magazine – Anubandh and Wall-Of-Unity at all projects. We have of a healthy organic follower base (more than 4,00,000) on social media platforms like LinkedIn and YouTube due to a meaningful and enriching engagement.

Our efforts towards Human Capital management have been widely appreciated in the infrastructure industry, which is evident from various awards, recognitions conferred on the Company. In FY 2021 – 22, Afcons won Global HR Excellence award 2022 by World HRD Congress in three categories – Award for Excellence in Learning & Development, Award for Institution Building, and Best Corporate Strategy Officer Award.

We continue to aspire to provide employees a professional, congenial, and safe work environment with opportunities for personal growth and development. We aspire to innovate and become a strong and positive influence offering a wholesome experience to everyone in the Afcons family. Excellence in delivery at projects is testament to the significance of *'The Afcons Way'* that includes our values viz. Deep dive, Excellence, Collaboration, Ethics & Integrity and Embrace Challenge.

CAUTIONARY STATEMENT

The statement in Management Discussions and Analysis describing the Company's operations and expectations are "forward looking statements". Actual results may differ owing to environmental dynamics.

REPORT ON CORPORATE GOVERNANCE

I. CORPORATE GOVERNANCE PHILOSOPHY

The Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success.

II. BOARD OF DIRECTORS

a. Composition

During the financial year 2021-22, the Board of Directors of the Company **("Board")** comprised of eleven (11) Directors out of which 4 Board members were Executive Directors and the remaining seven (7) Board members were Non-Executive Directors {including three (3) Independent Directors}. The Chairman of the Board was Non-Executive Director. The composition of the Board is in conformity with the Companies Act, 2013 **("Act")** read with Rules issued thereunder.

Subsequent to the end of the Financial year 31st March 2022, Mr. Akhil Kumar Gupta (DIN - 03188873) has ceased to be Director of the Company w.e.f. 30th June, 2022. Also, Mr. David Paul Rasquinha (DIN - 01172654) has been appointed as Additional (Independent & Non-Executive) Director of the Company w.e.f. 7th July 2022. The Board of Directors at the said meeting of 7th July 2022 recommended to Members the appointment of Mr. David Paul Rasquinha as the Independent Director, not subjected to retire by rotation, for terms of 5 (five) consequent years effective from 7th July 2022 and upto 6th July 2027.

All the Directors possess the requisite qualification & experience in Industry, Management, Finance, Research, Law and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

b. Board meetings and Attendance

During the financial year 2021-22, Five (5) Board Meetings were held i.e. on 28th May 2021, 30th June, 2021, 27th September, 2021, 16th December 2021 and 24th March, 2022. The Board meetings of the Company on 28th May 2021, 30th June, 2021 and 27th September, 2021 were held through Video Conferencing and the Board meeting dated 16th December, 2021 and 24th March, 2022 were held in physical mode.

The notices for the Board Meetings and the detailed agenda papers were circulated to all the Directors well in advance to enable them to attend and take an informed decision at the meetings.

The minutes of the proceedings of each Board and committee meetings are properly recorded and entered into the minutes book of the Company.

There is effective post meeting follow-up, review and reporting process for decision taken by the Board.

None of the Directors are members of more than Ten (10) Board level committees nor are they Chairman of more than 5 (five) committees in which they are members.

The name and category of the Directors on the Board, their attendance at the Board meetings during the year and at the last Annual General Meeting, as also the number of Directorship & Committee memberships held by them in other public companies are given below:

Name of the Director	Category	Total no. of Board Meetings during the year 2021-22		No. of other Directorship(s) in other Public co.[1]	No of Committee position held in other Public co.[2]		Whether attended last AGM held on 27.09.2021
		Held	Attended	Member	Chairman	Member	
Mr. S.P. Mistry	Chairman, Non-Executive Director	5	5	2	-	-	Yes
Mr.K.Subramanian	Executive Vice Chairman	5	3	-	-	-	Yes
Mr.N.D.Khurody	Independent Director	5	5	1	-	-	Yes
Mr.P.N.Kapadia	Independent Director	5	5	5	1	6	Yes
Mr.R.M.Premkumar	Independent Director	5	5	1	1	1	Yes
Mr. U.N. Khanna	Non-Executive Director	5	5	2	-	-	Yes
Mr.Pallon S Mistry	Non-Executive Director	5	5	3	-	1	Yes
Ms.Roshen M Nentin	Non-Executive Director	5	5	-	-	-	Yes
Mr.S.Paramasivan	Managing Director	5	5	-	-	-	Yes
Mr.Giridhar Rajagopalan	Deputy Managing Director	5	5	-	-	-	Yes
Mr. Akhil Kumar Gupta	Executive Director (Operations)	5	5	-	-	-	Yes

Note:

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

III. AUDIT COMMITTEE

a. The Audit Committee of the Company was constituted on 7th March, 2001.

b. Terms of reference of the Audit Committee:

In compliance with the provisions of section 177 of the Act, and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 amended the terms of reference of the Audit Committee which are as under:

- Overseeing the Company's financial reporting process and the disclosure of financial information;
- Recommending the appointment and removal of external auditors and fixing of audit fees;
- Review with management the annual financial statements and auditor's report before submission to the Board;
- Review with management, external and internal auditors, the adequacy of internal controls;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- To obtain professional advice from external sources and have full access to information contained in the records of the company;
- To oversee the vigil mechanism;
- In consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
- All other powers and duties as per section 177 of the Act and the Rules made thereunder;

c. Six (6) Meetings were held during the year on the following dates:

28th May 2021, 30th June, 2021, 27th September, 2021, 16th December 2021, 11th March, 2022 and 24th March, 2022.

d. As on 31st March, 2022 composition of Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N.D.Khurody	Independent Director	Chairman	6	6
Mr. P.N. Kapadia	Independent Director	Member	6	6
Mr. R.M. Premkumar	Independent Director	Member	6	6

IV. NOMINATION AND REMUNERATION COMMITTEE

a. The Committee was originally constituted as Remuneration Committee on 25th March, 2003. In compliance with the provisions of section 178 of the Act and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 have renamed the said Committee as "Nomination and Remuneration Committee" (hereinafter "**Committee**"). The Nomination and Remuneration Committee policy was amended at Board Meeting dated 24th March, 2022.

b. Terms of Reference of the Committee are as under:

- To identify persons who are qualified to become directors and who may be appointed in senior management.
- To recommend to the Board the appointment/ removal of the Directors or senior management personnel.
- To specify manner for effective evaluation by the Board of the performance of the individual directors and that of Board, its various committees constituted as required by the Act, and to review its implementation and compliance.
- To formulate the criteria for determining qualifications, competencies, positive attributes and independence of Directors, Key Managerial Personnels and Senior Management Personnels.
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other senior employees.
- All other powers and authorities as provided under the provisions of Schedule V and other applicable provision of the Act and the Rules made thereunder and any amendment thereof, if any, in granting the approval of remuneration to Whole Time Directors and the Managing Director of the Company.

c. As on 31st March, 2022 the composition of Committee and particulars of meetings attended by the members of Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N.D.Khurody	Independent Director	Chairman	2	0
Mr. P.N. Kapadia	Independent Director	Member	2	2
Mr. S.P Mistry	Non-Executive Director	Member	2	2

d. Two (2) Meetings were held during the year on the following dates:

3rd November, 2021 and 11th February, 2022

e. Remuneration Policy

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

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

- The remuneration to Executive Director, KMP and Senior Management Personnel, shall involve a balance between fixed and incentive pay reflecting short and long-term performance appropriate to the working of the company and its goals.
- The remuneration (including payment of minimum remuneration) to Executive Directors shall be within the overall ceiling prescribed under the Act. Within the said overall ceiling of remuneration, the Executive Directors will be entitled to avail of the perquisites under different heads as may be applicable to the other Senior Management Personnel of the Company. Such remuneration to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration shall be subject to prior/post approval of the shareholders of the Company.
- The annual increments and incentives to the Executive Directors will be decided by the Committee and/or the Board in its absolute discretion and will be merit based and will also take into account Company's performance.
- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director/s and recommend to the Board his / her appointment.
- Due to reasons for any disqualification mentioned in the Act , and Rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director.
- The Board shall at least once in every financial year evaluate the performance of Board, its committees and each director individually and review its implementation and compliance. In this connection, the Board may take assistance from Independent external agency.
- The qualification attributes, terms and conditions of appointment and removal of KMP (i.e. any Key Managerial Personnels other than the Managing Director / CEO and the whole-time directors of the Company as defined under the Act) and Senior Management Personnels as also their remuneration (including annual increments and incentives if any) and the evaluation of their performance shall be as decided by the Executive Vice Chairman and / or Managing Director of the Company and shall in line with the Company's policies.
- The Committee shall ratify such appointment and removal of KMP (i.e. any Key Managerial Personnels other than the Managing Director / CEO and whole-time directors of the Company as defined under the Act) and Senior Management Personnels.

f. Details of Remuneration paid to Directors during the financial year 2021-22:

i. Remuneration to Executive Directors (₹ in p.a.)

Name of Director	Basic Salary	PF/SA	Perquisites	Total Remuneration
Mr.K.Subramanian	76,50,000.00	20,65,500.00	3,37,43,491.00	4,34,58,991.00
Mr.S.Paramasivan	67,05,000.00	18,10,350.00	3,00,46,450.00	3,85,61,800.00
Mr. Giridhar Rajagopalan	31,80,000.00	8,58,600.00	1,90,94,268.00	2,31,32,868.00
Mr. Akhil Kumar Gupta	31,80,000.00	8,58,600.00	1,81,84,359.00	2,22,22,959.00
Total	**2,07,15,000.00**	**55,93,050.00**	**10,10,68,568.00**	**12,73,76,618.00**

The number of stock options granted till date to the Executive Directors is as under:

Name of the Director	Stock options granted till date
Mr. K. Subramanian	35,040
Mr. S. Paramasivan	26,280

ii. **Remuneration to Non-Executive Directors**

The Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board and / or Committees thereof. The details of the sitting fees paid to the Non-Executive directors are as under:

Name of the Director	Sitting Fees (₹ in p.a.)	Equity Shareholding in the Company	
		No. of Shares	% holding
Mr.S.P. Mistry	6,00,000	-	-
Mr.N.D.Khurody	17,00,000	-	-
Mr.P.N. Kapadia	21,00,000	-	-
Mr.U.N.Khanna	13,50,000	-	-
Mr.R.M.Premkumar	11,50,000	-	-
Mr. P.S. Mistry	5,00,000	-	-
Ms. R. M. Nentin	5,00,000	3,310	0.0046
Total	**79,00,000**	**3,310**	**0.0046**

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

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a. In accordance with the requirement of Section 135 of the Act and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 have constituted a Corporate Social Responsibility ("**CSR**") Committee.

b. MCA vide notification dated 22nd January 2021 has amended CSR Rules. Pursuant to said amendment and based on the recommendation of CSR committee, the Board at its meeting held on 28th May 2021 has revised the CSR Policy of the Company. The terms of reference of CSR Committee, as per revised CSR Policy is as under:

- Framing of Corporate Social Responsibility (CSR) Policy (which shall include amendment thereto from time to time) and recommending to the Board for approval.
- Formulating an Annual Action Plan of the CSR activities to be undertaken during the financial year.
- Selection of CSR Activity / CSR Programme or CSR Project to be undertaken by the Company.
- Recommend spending of CSR funds to be undertaken in areas or subjects specified in Schedule VII to the Act.
- To decide and recommend to the Board on the manner of utilisation of surplus.
- Implementation & monitoring of CSR activity(ies) / programme(s) or project(s) to be undertaken in accordance with the CSR Policy.
- Identifying, evaluating and appointment of organisation (including international organisations) for carrying out base line surveys, guidance on designing, monitoring, evaluating the implementation of CSR activities, project programme and impact assessment surveys etc.

c. Three (3) meetings of the CSR Committee was held during the year on the following dates:

28th May, 2021, 6th December, 2021 and 21st March, 2022.

d. As on 31st March, 2022 the Composition and particulars of meetings attended by the members of CSR Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. K.Subramanian	Executive Vice Chairman	Chairman	3	2
Mr.P.N.Kapadia	Independent Director	Member	3	3
Mr. Umesh Khanna	Non-Executive Director	Member	3	3

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a. The Committee was constituted on 28th November 2006 as Shareholders / Investor's Grievances Cum Share Transfer Committee. The Board at its meeting held on 24th September 2008 renamed the said Committee as Shareholders / Investor's Grievance Cum Share Transfer cum ESOP Share Allotment Committee. Thereafter the Committee was again renamed at the meeting of the Board held on 12th March, 2014 as Shareholder/Investors' Grievance cum Share Transfer cum Shares Allotment Committee **("STC")**. The Board again at the meeting held on 22nd March, 2016 has renamed the committee as Stakeholders Relationship Committee **("SRC")**. SRC was delegated additional powers by the Board at their meeting held on 18th June 2020.

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

- To allot equity shares to the employees exercising the ESOP options granted under the ESOP Scheme 2006 of the Company.
- To issue and allot Equity Shares, Convertible Preference shares (fully/partly/optionally convertible).
- To exercise such powers and to do all such act, deed, matters and things in connection with the issue and allotment of the Equity Shares, Convertible Preference shares (fully/partly/optionally convertible) as the Committee deems fit and proper.
- To approve transfer of the Equity and Preference Shares of the Company and further delegate such powers to the Registrar for the Transfer of Shares of the Company.

- To allot Debentures to the Investor.
- To approve/record Transfer, Dematerialisation / Rematerialisation of Debentures, issue of duplicate Debenture Certificates, issue of new Debenture certificates on split / Consolidation.
- To look into matters pertaining to the shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non- receipt of declared dividends, redress complaints of Debenture holder pertaining to the issue including non-receipt of interests, etc.
- To decide on all other matters related to Debentures.
- To investigate into any matter in relation to areas specified above or referred to it by the Board and for this purpose will have full access to information contained in the records of the Company.
- To determine the conversion price of the Convertible Preference shares (fully/partly/optionally convertible).
- To sub-delegate any of the said powers and authorities to any of the Committee members and/or to any other person as the Committee deems fit.
- To pass any resolution by Circulation.
- To take steps for transfer of any unclaimed dividend amount and equity shares to Investor Education and Protection Fund (IEPF) as referred under Section 124 and Section 125 of the Act and rules framed thereunder;;
- To consider, monitor, resolve and handle all the matters regarding transmission of securities of the Company;
- To carry out such other matters as may be delegated to it by the Board from time to time.

c. Three (3) meetings of SRC were held during the year on following dates:

12th May, 2021, 18th October, 2021 and 17th February, 2022

As on 31st March, 2022 the composition and attendance of members at the meetings of the STC are given below :

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

d. Name and Designation of the Compliance Officer:

Mr. Gaurang Parekh, Company Secretary is the Compliance officer & Nodal officer of the Company.

e. Status of Investor's Complaints

During the financial year all the letters / complaints received by the Registrar and Share Transfer Agent have been redressed and there were no complaints pending with the Company / Registrar and Share Transfer Agent. All the valid share transfers requests received during the year were duly attended to and processed in time. There was no valid request pending for share transfer as on 31st March 2022.

VII. INDEPENDENT DIRECTORS MEETING

During the year under review, One (1) meeting of the Independent Directors namely Mr. N. D. Khurody, Mr. P. N Kapadia and Mr. R. M. Premkumar was held on 11th March, 2022. All the Independent directors were present at the said meeting.

As per the provisions of section 149 read with schedule IV of the Act, at the said Independent Directors meeting, the Independent Directors reviewed the performance of the Chairman, Non Independent Directors, the Executive Directors and the performance of the Board as a whole.

VIII. COMMITTEE OF DIRECTORS

a. The Committee of Directors (**"COD"**) was reconstituted on 27th June, 2016 with revised powers for delegation of certain powers of the Board to Committee of Directors which are of routine & urgent nature can be approved/ passed by the said Committee. On 24th June, 2019 the Board has further delegated to the said Committee certain powers of the Board for taking decision on matter arising between two Board meetings to authorise the Committee to borrow from any other persons in addition to Banks, Financial Institutions.

b. The broad terms of reference of COD are as under:

- To open account(s) in the name of the Company with any Bank(s), Financial Institution(s), as the Committee may deem fit and necessary, whether designated in Indian Rupees or any foreign currency whether in India or overseas, to authorise signatories to open, operate and to give instructions to the Banks / Financial Institution in connection with the operations of the account(s) including specific any terms or limit on such authority and to close any Bank Account(s) of the Company with any Bank(s), Financial Institution(s).
- To issue Power of Attorney in favour of employees of the Company and other persons pertaining to the business of the Company under the Common Seal of the Company.
- To authorise representative of the Company for representation before Statutory Authorities in India and Overseas.

- To avail credit facilities / borrowing from time to time (including amendment thereto), within the limits as approved by the Shareholders, from Banks and/ or Financial Institutions or any other persons from time to time as the Committee may deem fit and necessary for the purpose of the business of the Company and to authorise signatories to sign and execute agreements and documents and to do all act, deeds and things to give effect to the availing of the credit facility /borrowing.
- To avail corporate internet Banking with online transaction Rights from Banks/ Financial Institutions for the Bank Account(s) of the Company for our routine corporate transactions.
- To make loans and/or give guarantees, bonds and /or counter guarantees and indemnities or provide securities on behalf of the Company and to authorise signatories to sign and execute agreements and documents and to do all act, deeds and things in this matter on behalf of the Company.
- To incorporate Company and set-up Branch office, representative office and licensing office in India and Overseas.
- To institute, prosecute, defend, oppose, appear or appeal in legal proceedings and demands and to accept services of notices or processes and to give security or indemnities for costs, to pay money into court and obtain payment of money lodged in court and to engage Counsel, Advocates, Attorneys, Vakils, Pleader or other persons and to sign and give vakalatnamas, retainers and other necessary authorities and such retainer and authorisation from time to time at pleasure to revoke.
- To approve other transactions of routine nature (other than those matters which are expressly required by Act and Rule thereto to be passed at the meeting of the Board) as the Committee may deem fit and necessary for the purpose of the business of the Company which cannot be deferred to the next Board meeting.

c. Eleven (11) meetings were held during the year on the following dates:

14th April, 2021, 10th May, 2021, 6th August, 2021, 30th August, 2021, 13th September, 2021, 21st October, 2021, 17th November, 2021, 10th December, 2021, 11th January, 2022, 31st January, 2022 and 8th March, 2022.

d. As on 31st March, 2022 the composition and attendance of members at the meetings of the Committee of Directors are given below :

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N.D. Khurody	Independent Director	Chairman	11	11
Mr. P. N. Kapadia	Independent Director	Member	11	11
Mr. Umesh Khanna	Non-Executive Director	Member	11	11
Mr. S Paramasivan	Managing Director	Member	11	11

IX. GENERAL BODY MEETINGS

a. The details of the Annual General Meetings (AGM) held in the last 3 years:

For Financial Year ended	Location	Date of AGM	Time
31.03.2021	registered office of the Company (through Video Conferencing)	27.09.2021	4.30 p.m
31.03.2020	registered office of the Company(through Video Conferencing)	30.09.2020	4.30 p.m
31.03.2019	registered office of the Company	26.09.2019	4.30 p.m

b. Details of Extra Ordinary General Meeting **(EGM)** held in the last 3 years:

There was no EGM held in the last 3 years.

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

45th AGM dated 27.09.2021	i. Consent of the Company to appoint Mr. Giridhar Rajagopalan (DIN - 02391515) as Deputy Managing Director of the Company for remaining tenure of his appointment i.e. 30th June, 2022 ii. Consent of the Company to Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores
44th AGM dated 30.09.2020	i. Consent of the Company to re-appoint and fix remuneration of Mr. K. Subramanian (DIN - 00047592) as an Executive Vice Chairman of the Company for a period of term of 3 years from 1st July, 2020 to 30th June 2023. ii. Consent of the Company to re-appoint and fix remuneration of Mr. S.Paramasivan (DIN- 00058445) as a Managing Director of the Company for a period of term of 3 years from 1st July, 2020 to 30th June 2023. iii. Consent of the Company to vary the terms of remuneration of Mr.Giridhar Rajagopalan (DIN - 02391515) as Whole-time Director designated as Executive Director (Technical) of the Company. iv. Consent of the Company to vary the terms of remuneration of Mr.Akhil Kumar Gupta (DIN-03188873) as Whole-time Director designated as Executive Director (Operations) of the Company. i. Consent of the Company to Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores.

43rd AGM dated 26.09.2019	i. Consent of the Company for re-appointment of Mr. Pradip Narotam Kapadia (DIN - 00078673) as an Independent Director of the Company for terms of 5 years upto the conclusion of the Forty-Eighth Annual General Meeting of the company to be held in calendar year 2024 ii. Consent of the Company for re-appointment and revise remuneration of Mr. Giridhar Rajagopalan (DIN - 02391515) as Whole-time Director designated as Executive Director (Technical) of the Company for the period from 1st July, 2019 to 30th June 2022. iii. Consent of the Company for re-appointment and revise remuneration of Mr. Akhil Kumar Gupta (DIN - 03188873) as Whole-time Director designated as Executive Director (Operations) of the Company for the period from 1st July, 2019 to 30th June 2022. iv. Consent of the Company for raising ₹ 200 Crores (Rupees Two Hundred Crores only) through issue of Unsecured, Redeemable, Unlisted Non-Convertible Debentures (“NCDs”) on private placement basis. v. Consent of the Company to issue 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares aggregating to ₹ 100 Crores to Shapoorji Pallonji and Company Private Limited on Preferential Allotment Basis such terms and conditions and in such manner as may be approved finalized or decided by the Board from time to time.

d. During the year under review, the Company has not passed any resolutions through Postal Ballot.

X. DISCLOSURES

There were no materially significant related party transactions during the financial year 2021-22 that may have potential conflict with the interests of the Company at large. The detail of the related party transactions as per IND AS 24 are included in the notes to accounts forming part of the Annual Reports.

XI. MEANS OF COMMUNICATION

a. The Company has its own website and all the vital information relating to the Company is displayed on the website. Address of the website is https://www.afcons.com

b. Annual Report containing Inter alia, Audited Annual Report, Financial Statements, Directors Report, Auditors Report and other important information is circulated to the members and others entitled thereto.

XII. GENERAL SHAREHOLDERS INFORMATION

a. Annual General Meeting

Date : 29th September, 2022

Time : 4.30 p.m.

Venue : Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Mumbai 400 053

b. Financial Year : 1st April to 31st March

c. Cut – Off Date for AGM : Thursday, 22nd September 2022

d. Date of Book Closure : 23rd September, 2022 to 29th September, 2022 (both days Inclusive)

e. ISIN No. : INE101I01011

f. Registrar & Share Transfer Agent : Cameo Corporate Services Limited

Subramanian Building, 1 Club House Road, Chennai-600002.

Tel. No.:044-28460390

Fax No.:044-28460129

Email id.: afcons@cameoindia.com

g. CIN : U45200MH1976PLC019335

h. Tel : +91 22 67191000

i. Fax : +91 2226730027 /1031/0047

j. Email id : secretarial@afcons.com

k. website : www.afcons.com

XIII. SHAREHOLDING PATTERN AS ON 31st MARCH, 2022

Sr. No.	Category	No. of Shares	% of total
1.	Promoter's holding		
	Indian Promoters -Bodies Corporate	**62121581**	**86.32**
	Sub total (1)	**62121581**	**86.32**
2.	Non Promoters Holding		
	Companies / Bodies Corporate	8084940	11.23
	Employees Trust	1191370	1.66
	Directors & their Relatives	110057	0.15
	Employees / Retired Employees / General Public	454510	0.63
	Subtotal (2)	**9840877**	**13.67**
3.	Investor Education Protection Fund (3)	7780	0.01
	Total (1+2+3)	**71970238**	**100.00**

XIV. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2022

Number of Shares	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 to 100	55	13.82	4241	0.01
101 to 500	223	56.03	61091	0.08
501 to 1000	29	7.29	23074	0.03
1001 to 2000	13	3.27	20124	0.03
2001 to 3000	7	1.75	18096	0.03
3001 to 4000	7	1.76	24657	0.03
4001 to 5000	4	1.00	18548	0.02
5001 to 10000	22	5.53	149876	0.21
10001 & above	38	9.55	71650531	99.56
Total	398	100.00	71970238	100.00

XV. Address for Correspondence:

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Afcons Infrastructure Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Afcons Infrastructure Limited ("the Company"), which includes 19 branches at Mauritius, Liberia, Bangladesh, Ghana, Zambia, Bhutan, Jordan, Bahrain, Kuwait, Mozambique, Mauritania, Oman, Abu Dhabi, Qatar, Indonesia, Tanzania, Benin, Maldives and Gabon, and 15 jointly controlled operations consolidated on proportionate basis (refer note 2 to the attached standalone financial statements), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on audited financial statements and management certified unaudited financial statements/information of the branches and jointly controlled operations 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 (including its branches) and its jointly controlled operations as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in paragraph 13 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to the following matters:

   a) Note no. 41 of the Standalone financial statements, regarding delay in recovery of Rs. 204.75 Crores and Rs. 6.22 Crores from a customer which are disclosed under 'Contract Assets' and 'Trade Receivable' respectively, which are dependent upon the finalization of the arbitration award in favour of the Company.

   b) (i) Audit report on the financial statements of Afcons Gunanusa Joint Venture (a jointly controlled operation included in the standalone financial statements) issued by an independent firm of chartered accountants vide its report dated June 20, 2022 which includes an emphasis of matter reproduced by us as under:

      "We draw attention to Note 27 to the financial statements, which describes the uncertainties relating to the outcome of the arbitration proceedings in respect of claims recognised by the joint venture in the earlier years, on account of change orders.

      Based on the Management's estimates of the timing and amount of recoverability, which is supported by legal opinion and technical evaluation, the amounts recognised as amount due from customers under construction contract are considered as good and fully recoverable by the management. Our opinion is not modified in respect of this matter."

      Note 27 as described above is reproduced as note 36 a) to the Standalone Financial Statements.

      (ii) Further, in respect of the matter emphasized above in 4 b) (i), we draw attention to Note no. 36 b) of the Standalone financial statements, regarding delay in recovery of receivable of Rs. 11.76 Crores (before elimination) and advances of Rs. 181.27 Crores (before elimination) from the above mentioned Jointly controlled operation in respect of a project, which is dependent upon the finalisation of the arbitration award in favour of the jointly controlled operation.

      However, the aforesaid balances are not reflected in the financial statements as these are eliminated while preparing the Standalone financial statements of the company as per accounting policy described in Note 1.B.2 a) to the financial statements

   c) (i) Audit report on the financial statements of Transtonnelstroy Afcons Joint Venture (a jointly controlled operation included in the standalone financial statements) issued by an independent firm of chartered accountants vide its report dated June 23, 2022 which includes an emphasis of matter reproduced by us as under:

      "We draw attention to Note 34 to the Financial Statements, which describes the uncertainties relating to the outcome of the negotiation/arbitration/ Dispute Adjudication Board proceedings in respect of variations recognised by the joint venture in current and earlier years, on account of cost overruns due to unforeseen geological conditions, delays in handing over of land, change in scope of work, etc

      Based on the Management's estimates of the timing and amount of recoverability, which is supported by technical evaluation, the amounts recognised as amount due from customers under construction contract as stated above are considered as good and fully recoverable by the management. Our opinion is not modified in respect of this matter."

      Note 34 as described above is reproduced as note 37 a) to the Standalone Financial Statements.

      (ii) Further, in respect of matter emphasized above 4 c) (i), we draw attention to note no. 37 b) of the Standalone financial statements, regarding delay in recovery of receivable of Rs. 398.15 Crores (before elimination) and advances of

Rs. 588.11 Crores (before elimination) from the above mentioned Jointly controlled operation in respect of the project, which is dependent upon the finalization of the arbitration award in favour of the jointly controlled operation.

However, the aforesaid balances are not reflected in the financial statements as these are eliminated while preparing the Standalone financial statements of the company as per accounting policy described in Note 1.B.2 a) to the financial statements.

d) Audit report on the financial statements of Dahej Standby Jetty Project Undertaking Joint Venture(a jointly controlled operation included in the standalone financial statements) issued by an independent firm of chartered accountants vide its report dated June 17, 2022 which includes an emphasis of matter reproduced by us as under:

"We draw attention to Note 23 to the financial statements, which describes the uncertainties relating to the outcome of the Hon'ble High Court, Delhi, proceedings, where the Joint Venture has filed an appeal to set aside an unfavourable award granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture. Pursuant to the award, the customer encashed the bank guarantees and recovered the amount due to it.

Based on the assessment performed by the management of Joint Venture, of aforesaid customer claims and claims filed by the Joint Venture against the customer which is supported by a legal opinion, the management is of the view that recognition of the total amount recoverable from the customer aggregating to INR 9,038.01 lacs as at March 31, 2022, is considered appropriate and no provision is required to be made as on March 31, 2022.

Our opinion is not modified in respect of this matter."

Note 23 as described above is reproduced as note 38 a) to the Standalone Financial Statements.

e) Audit report on the financial statements of Afcons Zambia branch issued by an independent firm of chartered accountants vide its report dated May 13, 2022 includes an emphasis of matter paragraph which is reproduced by us as under:

"We draw attention to note 21 in the financial statements which indicate the contract period for the Design and Construction of Lusaka City Decongestion Project between Afcons Infrastructure Limited and the Ministry of Local Government and Housing. According to the agreement, the contract ended on 30 September 2021. Furthermore, the contract stipulates a defects liability period ending 30 September 2022. Our opinion is not modified in respect of this matter.

Impact of Covid – 19 Pandemic

We draw attention to Note 22 of the financial statements which indicates the impact of Covid-19.

In January 2020, the World Health Organisation declared COVID -19 to constitute a 'Public Health Emergency of International Concern." Since then more cases have been diagnosed, also in other countries. On 11 March 2020, the World Health Organisation (WHO) announced that the coronavirus outbreak can be characterised as a pandemic and many governments have introduced various measures to combat the outbreak, including travel restrictions and quarantines. The pandemic has resulted in some businesses closing and others performing lower than the budget and lockdown of certain areas.

Given the uncertainty of the situation, the duration of any business disruption and related financial impact cannot be reasonably estimated at this time. Our opinion is not modified in respect of this matter."

Note 21 and Note 22 as described above is reproduced as note 47.4 b) and 47.3 a) and to the Standalone Financial Statements.

f) Audit report on the financial statements of Afcons Sibmost Joint Venture, Afcons Infrastructure Limited and Vijeta Projects and Infrastructure Limited Joint Venture and Afcons Vijeta Joint Venture – Zimbawe issued by an independent firm of chartered accountants vide its report dated June 15, 2022 which includes emphasis of matter reproduced by us as under :

"We draw attention to Note 26 to the Ind AS Financial Statements as regards to the management evaluation of COVID - 19 impact on the business operations and future performance of the Joint Venture. Our opinion on the financial statements is not modified in respect of the above matter. Further, our attendance at the physical inventory verification done by the management was not possible and therefore, we have relied on the related alternative audit procedures to obtain comfort over the existence and condition of inventory at year end."

Note 26 as described above is reproduced as note 47.3 b) to the Standalone Financial Statements.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditor's report thereon. The Board report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

   When we read the Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

6. 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. The respective Board of director of the company included in standalone financial statements is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. 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.

8. The respective Board of Directors of the company included in the Standalone financial statements is responsible for overseeing the financial reporting process of the company.

Auditor's responsibilities for the audit of the standalone financial statements

9. 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.

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

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the standalone financial statements of which we are the independent auditors. For the other entities included in the standalone 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.

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

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

Other Matter

13. We did not audit

   i) The financial statements of 15 jointly controlled operations included in the standalone financial statements of the Company, whose financial statements (before eliminating intercompany transactions) reflects total assets of Rs. 2,337 Crores and net liability of Rs. 51 Crores as at 31st March 2022, total revenue of Rs. 960 Crores, total comprehensive income (comprising of net income and other comprehensive income) of Rs. 11 crores and net cash flows amounting to Rs. 19 Crores for the year then ended. These financial statements and other financial information-have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the standalone financial statements in so far as it relates to the amounts and disclosures included in respect of these jointly controlled operations, and our report in terms of sub section (3) of section 143 of the Act including report on other information insofar as it relates to the aforesaid Jointly controlled operations, is based solely on the reports of such other auditors. Also refer Note 47.2 and Note 47.4. a) in the standalone financial statements for matters relating to management assessment of Covid-19 impact on 4 jointly controlled operations and the going concern assumption on 1 jointly controlled operation respectively, which has been included as emphasis of matter paragraph in the respective component auditors' reports.

   ii) financial statements/information of 11 branches located outside the India included in the standalone financial statements of the Company, whose financial statements (before eliminating intercompany transactions) reflects total assets of Rs. 2,474 Crores and net assets of Rs. 1,892 Crores as at 31st March 2022, total revenue of Rs. 2,752 Crores, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 150 Crores and net cash flows amounting to Rs. 1 Crores for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such branches located outside India from the accounting principles generally accepted in their respective countries to comply with the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such branches located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us. Also refer Note 47.2 in the standalone financial statements for matters relating to management assessment of Covid-19 impact on 2 branches, which has been included as emphasis of matter paragraph in the respective component auditors' reports.

14. We did not audit the standalone financial information of 8 branches included in the standalone financial statements of the Company, which constitute total assets of Rs. 393 Crores and net liability of Rs. 33 Crores as at 31st March 2022, total revenue of Rs. 59 Crores, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. 30 Crores and net cash outflows amounting to Rs. 4 Crore for the year then ended. The unaudited financial information in respect of these branches have been provided to us by the management, and our opinion on the standalone financial statements of the Company in so far as it relates to the amounts and disclosures included in respect of these branches and our report in terms of sub-section (3) of Section 143 of the Act to the extent applicable, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information's are not material to the Company.

15. Audit report on the financial statements of Afcons Infrastructure Limited- Gabonese Branch issued by an independent firm of chartered accountants vide its report dated June 14, 2022 which includes an other matter reproduced by us as under:

"The net result for the 6-month period ended as Of March 31, 2021 (N-l) is nil. Management has considered that this period was the preparation phasis of the project, and that at this Stage no margin and profit were to be recognized, therefore. Our opinion is not modified in respect of this matter."

Our opinion on the standalone financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on other legal and regulatory requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ("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.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper records adequate for the purposes of our audit have been received from the branches and jointly controlled operations.

(c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

(d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.

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

(f) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors of the Company and the reports of the statutory auditor of a jointly controlled operation incorporated in India, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and a jointly controlled operations incorporated in India, the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

(i) The Standalone financial statements has disclosed the impact of pending litigations on its standalone financial position of the company including branches and jointly controlled operation – Refer Note 30, 36, 37,38, 41, 42, 43 and 44 to the standalone financial statements.

(ii) Provision has been made in the standalone financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 18 to the standalone financial statements. Further, Company did not have any material foreseeable losses on derivative contracts as at March 31, 2022.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and one of the Jointly controlled operation during the year.

(iv) (a) The respective management of the Company and one of its jointly controlled operation which is a company incorporated in India whose financial statements have been audited under the Act, have represented to us and the other auditors of such jointly controlled operation, respectively, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company or such jointly controlled operation to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or such Jointly controlled operation ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50 (xi) to the standalone financial statements);

(b) The respective management of the Company and one of its jointly controlled operation which are companies incorporated in India whose financial statements have been audited under the Act, have represented to us and the other auditor of such jointly controlled operation, respectively, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company or jointly controlled operation from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or jointly controlled operation shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50 (xi) to the standalone financial statements); and

(c) Based on such audit procedures that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditor of a the jointly controlled operation which is a company incorporated in India whose financial statements have been audited under the Act nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clauses (a) and (b) contain any material misstatement.

(v) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act. The jointly controlled operation has not declared or paid any dividend during the year.

18. 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sarah George
Partner
Membership Number: 045255
UDIN: 22045255ANVXVH8285

Place: Mumbai
Date: July 29, 2022

For HDS & Associates LLP
Chartered Accountants
Firm Registration No: W100144

Suresh K. Joshi
Partner
Membership Number: 030035
UDIN: 22030035ANWVYU2036

Place: Mumbai
Date: July 29, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 17 (g) of the Independent Auditor's Report of even date to the members of Afcons Infrastructure Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Afcons Infrastructure Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes the internal financial controls over financial reporting of the 1 jointly controlled operation.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

8. In our opinion, the Company including its branches has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

OTHER MATTER

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statements insofar as it relates to 1 jointly controlled operation of the Company, is based on the corresponding report of the auditor of Jointly controlled operation. Our opinion is not qualified in respect of this matter

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sarah George
Partner
Membership Number: 045255
UDIN: 22045255ANVXVH8285

Place: Mumbai
Date: July 29, 2022

For HDS & Associates LLP
Chartered Accountants
Firm Registration No: W100144

Suresh K. Joshi
Partner
Membership Number: 030035
UDIN: 22030035ANWVYU2036

Place: Mumbai
Date: July 29, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 17 of the Independent Auditors' Report of even date to the members of Afcons Infrastructure Limited on the standalone financial statements as of and for the year ended March 31, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

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

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the standalone financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory on physical verification of inventory by Management and have been appropriately dealt with in the books of account.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account. (Also refer Note 50 (ii) to the standalone financial statements).

Rs. In Lakhs

Name of the Bank/ Financial Institution	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reasons for difference (Refer note 50 (ii) to the standalone financial statement)
State Bank of India and Consortium Banks	140,200 – Fund Based Limit	Contract assets – Stock in Progress	Jun-21	295,932	276,843	19,089	Current portion as per the Management assessment has been considered in the quarterly statements.
			Sep-21	254,554	233,950	20,604	
			Dec-21	261,513	240,988	20,525	
			Mar-22	253,795	233,319	20,476	
		Trade Receivables	Jun-21	121,059	218,435	(97,376)	Certain receivables have not been considered in quarterly statements.
			Sep-21	145,984	247,761	(101,777)	
			Dec-21	86,006	212,900	(126,894)	
			Mar-22	114,863	218,894	(104,031)	
		Other construction Material	Mar-22	45,327	34,523	10,805	Shuttering Material stock has been Included in quarterly statements.
			Dec- 21	40,705	29,852	10,853	

iii. (a) The Company has made investments in one company, granted unsecured loans/advances in nature of loans to one company and four Jointly controlled operations and provide guarantee to one company and six Jointly controlled operations. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees to subsidiaries and jointly controlled operations are as per the table given below:

(Amount in Lakhs)

Particulars	Advances in nature of Loans	Guarantees
Aggregate amount granted/provided during the year		
- Subsidiaries	2	683
- Jointly Controlled Operation	11,206*	18,193
Balance outstanding as at balance sheet date in respect of the above		
- Subsidiaries	2	683
- Jointly Controlled Operations	3,262 (net of provision)*	18,193

* The aforesaid balances are not reflected in the financial statements as these are eliminated while preparing the Standalone financial statements of the company as per accounting policy described in Note 1.B.2 a) to the financial statements. Hence loan or advances in nature of loan is not considered for the reporting under this clause.

(b) In respect of the aforesaid investments/guarantees/loans/advances in nature of the loan, the terms and conditions under which such loans were granted/investments were made/guarantees provided are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loans/advances in nature of loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest.

(d) In respect of the aforesaid loans/advances in nature of loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the overdue portion of the such loans/advances in nature of loan.

(e) In respect of the aforesaid loans/advances in nature of loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on whether the loans /advances in nature of loans fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.

(f) Following loans/advances in nature of loans were granted during the year, including to promoters/related parties under Section 2(76), which are repayable on demand or where no schedule for repayment of principal and payment of interest has been stipulated by the Company.

	All Parties*	Promoters	Related Parties*
Aggregate of loans			
Without specifying any terms or period of repayment	11,208	-	11,208
Percentage of loans	100%	-	100%

*The loan or advances in nature of loan granted to Jointly controlled operations amounting to Rs. 11,206, the same is eliminated while preparing the standalone financial statement as per the accounting policy Note 1.B.2 a). Hence, the same is not considered for the reporting under this clause.

iv. The Company is engaged in providing infrastructural facilities as specified in Schedule VI to the Act and accordingly, the provisions of Section 186, except sub section (1), of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186(1) of the Act in respect of the loans and investments made,and guarantees provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, in respect of provident fund, profession tax and goods and service tax , though there has been a slight delay in a few cases , and is regular in depositing undisputed statutory dues, including employees' state insurance, income tax, and duty of customs, with the appropriate authorities. Also, refer note 30 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and service tax, which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Local Sales Tax Acts applicable in respective States (West Bengal, Andhra Pradesh, Tamilnadu and Madhya Pradesh)	Sales Tax	56.35	FY 1985 to 1990 and 1992 to1999	Appellate Authority– up to Commissioner's level
Local Sales Tax Acts applicable in respective States (West Bengal)	Sales Tax	16.95	FY 1987 to 1989 and 1997 to 1998	Appellate Authority– Tribunal Level
Local Sales Tax Acts applicable in respective States (Orissa)	Sales Tax	30.63	FY 1999 to 2000	At High court
Value Added Tax Acts applicable in respective states (West Bengal)	Value Added Tax	89.07	FY 2007 to 2009 and 2012 to 2017	Appellate Authority– up to Commissioner's level
The Finance Act 1994	Service Tax	13,147.07	Financial Years 2007 to 2018	Appellate Authority – Tribunal
The Income Tax Act, 1961	Income Tax	1,403.91	Financial Year 2011 – 12	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	682.43	Financial Year 2015 – 16	Commissioner of Income-tax (Appeals)
The Central Goods and Service Tax Act, 2017 (Uttar Pradesh)	Goods and Service tax	176.16	Financial Year – 2019-20	Joint Commissioner - Appeal
UP Goods & Service Tax, 2017 (Uttar Pradesh)	Goods and Service tax	176.16	Financial Year – 2019-20	Joint Commissioner - Appeal

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

Loan or advances in nature of loan received from Jointly controlled operations are eliminated while preparing the standalone financial statement as per the accounting policy 1.B.2 a). Hence, the same is not considered for the reporting under this clause.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 50 (vii) to the financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or jointly controlled operation.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or jointly controlled operation.

x. (a). The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b). The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

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

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

xiv (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has five CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

Following matters have been reported by the auditors of the respective components under the report on the matters specified in paragraphs 3 and 4 of the companies (Auditor's report) order, 2020 (CARO) on the financial statements of respective components of the company which have been reproduced under this clause by us as under

Sr. No	Name of Component	Date of Report	Matters Reproduced
1	Afcons Sener LNG Constrution Projects Private Limied	14/06/2022	The branch has incurred cash loss of Rs. 412.16 Lakhs in the financial year and Rs. 518.74 in the immediately preceding financial year

xviii There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 54 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sarah George
Partner
Membership Number: 045255
UDIN: 22045255ANVXVH8285

Place: Mumbai
Date: July 29, 2022

For HDS & Associates LLP
Chartered Accountants
Firm Registration No: W100144

Suresh K. Joshi
Partner
Membership Number: 030035
UDIN: 22030035ANWVYU2036

Place: Mumbai
Date: July 29, 2022

AFCONS INFRASTRUCTURE LIMITED

Standalone Balance Sheet as at 31st March, 2022 (₹ in Crores)

	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	2,238.73	1,958.57
	(b) Capital work-in-progress	3.B	17.53	145.52
	(c) Right-of-use assets	3.D	65.56	26.22
	(d) Intangible assets	3.C	0.65	0.45
	(e) Financial assets			
	(i) Investments	4	12.41	11.92
	(ii) Trade receivables	5	678.88	474.36
	(iii) Loans	6	2.23	51.96
	(iv) Other financial assets	7	308.69	273.67
	(f) Contract assets	8	1,491.29	1,493.02
	(g) Non current tax assets (net)	11	68.72	110.64
	(h) Other non-current assets	8.2	196.64	181.11
	Total non-current assets		**5,081.33**	**4,727.44**
2	**Current assets**			
	(a) Inventories	9	1,246.82	886.52
	(b) Financial assets			
	(i) Trade receivables	5	2,188.94	2,365.10
	(ii) Cash and cash equivalents	10	206.50	363.61
	(iii) Bank balances other than (ii) above	10.1	71.12	90.22
	(iv) Loans	6	21.68	18.54
	(v) Other financial assets	7	91.64	113.26
	(c) Contract assets	8	2,333.19	2,332.89
	(d) Other current assets	8.2	1,158.56	946.51
	Total current assets		**7,318.45**	**7,116.65**
	Total assets (1+2)		**12,399.78**	**11,844.09**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12.A	71.97	71.97
	(b) Instruments entirely equity in nature	12.B	450.00	450.00
	(c) Other equity	13	1,716.85	1,498.40
	Equity attributable to shareholders of the Company		**2,238.82**	**2,020.37**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	401.89	472.64
	(ii) Lease Liabilities	53(i)b	34.20	13.12
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		29.05	4.57
	(b) Total outstanding due to creditors other than micro and small enterprises		410.68	447.69
	(iv) Other financial liabilities	16	188.09	248.59
	(b) Contract liabilities	17	1,766.30	1,576.73
	(c) Provisions	18	86.29	3.07
	(d) Deferred tax liabilities (net)	21(c)	104.61	211.93
	Total non-current liabilities		**3,021.11**	**2,978.34**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	1,159.11	1,118.04
	(ii) Lease Liabilities	53(i)b	33.83	14.53
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		368.23	348.33
	(b) Total outstanding due to creditors other than micro and small enterprises		2,236.94	2,429.77
	(iv) Other financial liabilities	16	489.48	328.38
	(b) Contract liabilities	17	2,709.30	2,434.71
	(c) Provisions	18	68.54	69.06
	(d) Current tax liabilities (net)	19	15.35	46.04
	(e) Other current liabilities	17.1	59.07	56.52
	Total current liabilities		**7,139.85**	**6,845.38**
	Total liabilities (A+B)		**10,160.96**	**9,823.72**
	Total equity and liabilities (1+2)		**12,399.78**	**11,844.09**
	See accompanying notes 1 to 58 forming part of the financial statements			

In terms of our report attached **For and on behalf of the Board of Directors**

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

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

S.PARAMASIVAN
Managing Director
Din:00058445

GIRIDHAR R.
Dy. Managing Director
Din:02391515

SARAH GEORGE
Partner
Membership No. 045255

SURESH K. JOSHI
Partner
Membership No. 030035

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Statement of Standalone Profit and Loss for the year ended 31st March, 2022

(₹ in Crores)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Revenue from operations	22	10,498.55	8,930.67
2	Other income	23	293.96	223.15
3	**Total income (1 + 2)**		**10,792.51**	**9,153.82**
4	**Expenses**			
	(a) Cost of material consumed	24	2,915.03	2,404.43
	(b) Cost of construction	24.1	4,845.04	3,987.11
	(c) Cost of traded goods	25	85.50	45.51
	(d) Employee benefits expense	26	1,038.73	867.51
	(e) Finance costs	27	423.22	465.53
	(f) Depreciation and amortisation expense	28	351.22	245.33
	(g) Other expenses	29	850.73	885.17
	Total expenses		**10,509.47**	**8,900.59**
5	**Profit before tax (3 - 4)**		**283.04**	**253.23**
6	**Tax expense:**	21		
	(a) Current tax		127.63	117.55
	(b) Deferred tax		(103.89)	9.75
	Total tax expenses		**23.74**	**127.30**
7	**Profit for the year (5 - 6)**		**259.30**	**125.93**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investment measured at FVTOCI (Net of tax)		0.49	0.26
	(b) Remeasurements of defined benefit plans (Net of tax)		(10.20)	0.86
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation (Net of tax)		(5.90)	3.07
			(15.61)	**4.19**
9	**Total comprehensive income for the year (7 + 8)**		**243.69**	**130.12**
10	**Earnings per share (Face value of ₹ 10 each):**			
	(a) Basic earnings per share (rupees)		36.02	17.49
	(b) Diluted earnings per share (rupees)		7.61	3.70
	See accompanying notes 1 to 58 forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

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

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

S.PARAMASIVAN
Managing Director
Din:00058445

GIRIDHAR R.
Dy. Managing Director
Din:02391515

SARAH GEORGE
Partner
Membership No. 045255

SURESH K. JOSHI
Partner
Membership No. 030035

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Statement of changes in equity for the year ended 31st March, 2022

a) Equity share capital (₹ in Crores)

Particulars	
Balance as at 1st April, 2020	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2021	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2022	**71.97**

b) Instruments entirely equity in nature
Preference share capital (₹ in Crores)

Particulars	
Balance as at 1st April, 2020	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2021	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2022	**450.00**

c) Other Equity (₹ in Crores)

Particulars	Reserve and surplus							Items of other comprehensive income		Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contingencies reserve	Debenture redemption reserve	General reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income	
Balance as at 1st April, 2020	0.19	0.13	10.28	8.00	52.50	65.70	1,262.82	(25.05)	18.95	**1,393.52**
Profit for the year	-	-	-	-	-	-	125.93	-	-	**125.93**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	0.86	3.07	0.26	**4.19**
Total comprehensive income for the year	0.19	0.13	10.28	8.00	52.50	65.70	1,389.61	(21.98)	19.21	**1,523.64**
Dividends including tax thereon	-	-	-	-	-	-	(25.24)	-	-	**(25.24)**
Transferred (from) / to debenture redemption reserve	-	-	-	-	(8.75)	-	8.75	-	-	**-**
Balance as at 31st March, 2021	**0.19**	**0.13**	**10.28**	**8.00**	**43.75**	**65.70**	**1,373.12**	**(21.98)**	**19.21**	**1,498.40**
Balance as at 1st April, 2021	0.19	0.13	10.28	8.00	43.75	65.70	1,373.12	(21.98)	19.21	**1,498.40**
Profit for the year	-	-	-	-	-	-	259.30	-	-	**259.30**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	(10.20)	(5.90)	0.49	**(15.61)**
Total comprehensive income for the year	0.19	0.13	10.28	8.00	43.75	65.70	1,622.22	(27.88)	19.70	**1,742.09**
Dividends including tax thereon	-	-	-	-	-	-	(25.24)	-	-	**(25.24)**
Transferred (from) / to debenture redemption reserve	-	-	-	-	(43.75)	-	43.75	-	-	**-**
Balance as at 31st March, 2022	**0.19**	**0.13**	**10.28**	**8.00**	**-**	**65.70**	**1,640.73**	**(27.88)**	**19.70**	**1,716.85**

In terms of our report attached

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

SARAH GEORGE
Partner
Membership No. 045255

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

SURESH K. JOSHI
Partner
Membership No. 030035

For and on behalf of the Board of Directors

S.PARAMASIVAN
Managing Director
Din:00058445

GIRIDHAR R.
Dy. Managing Director
Din:02391515

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Standalone Cash Flow Statement for the year ended 31st March, 2022

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash flow from operating activities		
Profit before tax	283.04	253.23
adjustments for :		
Depreciation and amortisation expense	351.22	245.33
(Profit)/loss on property, plant and equipment sold/scrapped (net)	6.52	7.03
Dividend income	(45.17)	(73.66)
Interest income recognised in profit or loss	(63.74)	(105.20)
Insurance claim received	(28.37)	(7.22)
Finance costs	423.22	465.53
Bad debts/unbilled revenue and sundry debit balances written off	2.07	209.14
Provision for doubtful debtors / advances no longer required written back	(38.37)	-
Creditors / excess provision written back	(26.43)	(2.39)
Provision for expected credit loss	26.07	16.00
Provision for Doubtful Debtors / Advances	79.28	50.17
Provision for projected losses on contract (net)	(19.00)	23.20
Unrealised exchange (gain) / loss	(11.19)	(23.46)
Operating profit before working capital changes	**939.15**	**1,057.70**
(Increase) in trade receivables (including retention monies)	(37.14)	(67.60)
(Increase) / decrease in inventories	(360.30)	133.05
(Increase) / decrease in contract assets	(21.47)	844.58
(Increase) / decrease in financial assets	44.46	(143.25)
(Increase) in non financial assets	(190.78)	(317.29)
(Decrease) in trade payable	(158.66)	(301.78)
Increase / (decrease) in contract liabilities	484.85	(502.23)
Increase / (decrease) in financial liabilities	(25.23)	176.48
Increase / (decrease) in non financial liabilities	2.55	(14.56)
Increase / (decrease) in provisions	8.79	(7.58)
Cash from Operations	**686.22**	**857.52**
(Payment) of Income Tax (Net)	(116.41)	(47.82)
Net Cash flow (used in) operating activities	**569.81**	**809.70**
Cash flow from investing activities		
Payments for property, plant and equipment	(356.10)	(489.41)
Proceeds from sale of property, plant and equipment	4.12	3.72
Dividend received	45.17	73.66
Investment in other bank balance (made) / redeemed	17.58	37.04
Interest received	53.99	168.42
Insurance claim received	28.37	7.22
Net Cash flow (used in) investing activities	**(206.87)**	**(199.35)**
Cash flow from financing activities		
Proceeds from long-term borrowings	204.43	271.03
Repayment of long-term borrowings	(275.18)	(96.03)
Proceeds / (repayment) from short-term borrowings - net	45.40	(197.80)
Finance costs paid	(427.55)	(463.01)
Principal element of lease payments (net)	(37.65)	(31.54)
Dividend paid on equity shares (including tax thereon) (Interim)	(25.19)	(25.19)
Dividend paid on preference shares (including tax thereon)	(0.05)	(0.05)
Net Cash flow (used in) financing activities	**(515.79)**	**(542.59)**
Net increase in cash and cash equivalents	**(152.85)**	**67.76**
Cash and cash equivalents at the beginning of the year	363.61	293.59
Effects of exchange rate changes on cash and cash equivalents	(4.26)	2.26
Cash and cash equivalents at the end of the year	**206.50**	**363.61**

Non-cash financing and investing activities		
- Acquisition of right-of-use assets	**78.04**	**14.56**

Notes

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

Standalone Cash Flow Statement for the year ended 31st March, 2022 (Continued)

Net debt reconciliation

(₹ in Crores)

Particulars	31st March, 2022	31st March, 2021
Cash and Cash equivalent	206.50	363.61
Liquid investments	71.12	90.22
Finance lease obligations	(68.03)	(27.65)
Borrowings	(1,561.00)	(1,590.68)
Net Debt	**(1,351.41)**	**(1,164.50)**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investment	Finance lease obligations	Borrowings	
Net Debt as on 1st April, 2020	**293.59**	**108.29**	**(45.70)**	**(1,610.96)**	**(1,254.78)**
Cash flows	67.76	(18.07)	-	22.80	**72.49**
Acquisitions - finance leases	-	-	21.16	-	**21.16**
Foreign exchange adjustments	2.26	-	0.07	-	**2.33**
Interest expense	-	-	(3.18)	(216.86)	**(220.04)**
Interest paid	-	-	-	214.34	**214.34**
Net debt as on 31st March, 2021	**363.61**	**90.22**	**(27.65)**	**(1,590.68)**	**(1,164.50)**
Cash flows	(152.85)	(19.10)	-	25.35	**(146.60)**
Acquisitions/disposals - finance leases	-	-	(33.68)	-	**(33.68)**
Foreign exchange adjustments	(4.26)	-	(0.02)	-	**(4.28)**
Interest expense	-	-	(6.68)	(199.34)	**(206.02)**
Interest paid	-	-	-	203.67	**203.67**
Net debt as on 31st March, 2022	**206.50**	**71.12**	**(68.03)**	**(1,561.00)**	**(1,351.41)**

In terms of our report attached

For and on behalf of the Board of Directors

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

SARAH GEORGE
Partner
Membership No. 045255

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

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Dy. Managing Director
Din:02391515

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022

Note 1: General information

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

The address of its registered office is "Afcons House", 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Company and its subsidiaries and control operations (the "Company") are infrastructure activities. Afcons has presence in almost the entire spectrum of infrastructure activities in India and overseas. The Company is engaged in marine works, highways, bridges, metro works, power houses, tunnels, oil and gas, LNG tanks and other general civil engineering projects both in India and overseas.

Amendments applicable from April 01, 2022

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 01, 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of standalone financial statements. These amendments are effective from April 01, 2021.

Consequent to above, the Company has changed the classification/ presentation of (i) current maturities of long-term borrowings (ii) trade payables

- The current maturities of long-term borrowings (including interest accrued) has now been included in the "Borrowings (current)" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

The Company has reclassified following comparative amounts to conform with current year presentation as per the requirements of Ind As 1:

- Current maturities of long-term borrowings amounting to ₹ 147.16 Crores (March 31 2021, ₹ 282.32 Crores) have been reclassified from Other financial liabilities (current) to Borrowings (current). This also includes Interest Accrued but not due on borrowings which was previously grouped under Other Financial Liabilities amounting to ₹ 2.81 Crores (March 31 2021, ₹ 7.14 Crores)
- Capital Creditors amounting to ₹ 195.20 Crores (March 31 2021, ₹ 69.37 Crores) have been reclassified from Trade Payables to Other Financial Liabilities.

A. Basis of Preparation

i) Compliance with Ind As

The standalone financial statements of Afcons Infrastructure Limited ("The Company" or "Afcons") comply in all material aspects with Indian Accounting Standards (Ind As) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind As 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind As 2 or value in use in Ind As 36.

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

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

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

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

iii) New standards or interpretations adopted by the Company

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing April 1, 2021:

- Extension of COVID-19 related concessions – amendments to Ind As 116
- Interest rate benchmark reform – amendments to Ind As 109, Financial Instruments, Ind As 107, Financial Instruments: Disclosures, Ind As 104, Insurance Contracts and Ind As 116, Leases.

The amendments listed above did not have any material impact on the current period and are not expected to significantly affect the future period.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

iv) Operating cycle

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

- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

All other liabilities are classified as non-current.

B. Significant accounting policies

B.1. Goodwill

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

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

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

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

B.2. a) Interests in Jointly Controlled Operations

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

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

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

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

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

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

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

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

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

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

B.2. b) Interest in unincorporated Joint ventures

When the Company enters into a joint venture (JV) arrangement with other parties and an unincorporated vehicle is formed which has a separate status for tax purposes (i.e. Association of person/Body of individual etc.) and if as per the terms of agreement, the Company remains liable for all the liabilities of the unincorporated vehicle and is also responsible for funding or contributing assets to the unincorporated vehicle for construction activity, this unincorporated vehicle (also considered and called as Jointly Controlled Operation) has been considered as an extension of Company from accounting point of view and assets, liabilities, revenue and expenses have been consolidated on the basis of its share in the operations in the separate financial statement of the Company.

B. 3. Revenue recognition

Sale of goods

Revenue from sale of goods is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control as per the incoterms. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Rendering of services:

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Construction contracts:

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

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

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

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to customers are generally due upon expiration of the contract period.

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

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Dividend and interest income

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

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

B.4. Foreign currencies

(i) Functional and presentation currency

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

A) Foreign Branches of the Group: -

1. Income and expense items are translated at the exchange rates at the dates of the transactions and all resulting exchange differences are recognised in the Statement of Profit and Loss.
2. Non-monetary assets and liabilities are measured in terms of historical cost in foreign currencies and are not translated at the rates prevailing at the reporting period. Monetary assets and liabilities are translated at the rates prevailing at the end of each reporting period. Exchange differences on translations are recognised in the Consolidated Statement of Profit and Loss.

(ii) Transactions and balances

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

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

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

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

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

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

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

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

B.5. Borrowing costs

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

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

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

B.6. Employee benefits

B.6.1 Retirement benefit costs and termination benefits

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

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

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

Defined benefit costs are categorised as follows:

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

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

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

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

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

B.6.2 Short-term and other long-term employee benefits

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

Provision for leave benefits to employees is based on actuarial valuation done by Projected Accrued Benefit Method at the reporting date.

B.7. Taxation

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

B.7.1 Current tax

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

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

B.7.2 Deferred tax

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

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

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

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

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

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

B.7.3 Current and deferred tax for the year

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

B.8 Property, plant and equipment

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

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

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipment - 5 years

Freehold land is not depreciated

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road making, Laboratory & Welding Equipment, Floating Equipment - 20 Years.

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

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

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

B.8.1 Capital work-in-progress

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

B.9 Intangible assets

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

Computer software - 5 years

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

B.10 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

B.11 Inventories

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

B.12 Provisions and contingent liabilities

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

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

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

B.13 Financial instruments

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

Initial Recognition

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

B.14 Financial assets

Classification and subsequent measurement of financial assets

B.14.1 Classification of financial assets

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

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

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

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

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

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

B.14.2 Subsequent measurement

Debt instruments

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

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

Fair value through other comprehensive income

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

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

Fair value through profit or loss

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

Equity instruments

Investments in equity instruments at FVTPL

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

Investments in equity instruments at FVTOCI

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

B.14.3 Impairment of financial assets

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

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

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

B.14.4 Effective interest method

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

B.14.5 De-recognition of financial assets

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

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

B.14.6 Foreign exchange gains and losses

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

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

B.15 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Treasury shares

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

B.15.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

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

B.15.2 De-recognition of financial liabilities

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

B.15.3 Foreign exchange gains and losses

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

B.16 Derivative financial instruments

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

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

B.17 Leases:

Till March 31, 2019:

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

Operating lease (The Company as lessee): Lease payments under an operating lease are recognized as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

Operating lease (The Company as lessor): Rental income from operating lease is recognised on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of leased asset and recognised on a straight-line basis over the lease term.

With effect from April 1, 2019:

The Company as lessee:

From April 1, 2019, leases are recognised as a right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the company. Contracts may contain both lease and non-lease components. The Company has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

1) Lease Liabilities

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate (since the interest rate implicit in the lease cannot be easily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right of-use assets in a similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2) Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

3) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise assets having value less than ₹ 350,000.

The Company as lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

B.18 Earnings per share

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

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

B.19 Segment Reporting

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

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the Company and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 34 for segment information presented.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

B.20 Credit Risk

The Company assess on a forward-looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Company considers historical credit loss experience and adjusted for forward-looking information. Note 51.8 details how the Company determines whether there has been a significant increase in credit risk.

B.21 Government grants, subsidies and export incentives

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

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

C. Critical estimates and judgements

a) Revenue recognition

The Company's revenue recognition policy, which is set out in Note B.3, is central to how the Company values the work it has carried out in each financial year.

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

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

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

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

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

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

b) Taxation

The Company is subject to tax in a number of jurisdictions and judgement is required in determining the worldwide provision for income taxes.

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

c) Contingencies

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

d) Useful lives of property, plant and equipment

As described in note B.8 above, the Company reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Impairment of trade receivables and contract assets

The Company has recognised trade receivables with a carrying value of ₹ 2,867.82 Crores (as at March 31, 2021: ₹ 2,839.46 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting period. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the Company. The same policies are followed for contract assets.

f) Retirement benefit obligations

Details of the Company's defined benefit pension schemes are set out in Note B.6, including tables showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

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

g) Arbitration claims

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

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

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

i) Classification of Joint Arrangement as a Jointly Controlled Operation/Joint Venture

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

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

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

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

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

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

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

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

Note No. 2. Details of jointly controlled operations at the end of the reporting period are as follows.

Name of joint operations	Country of incorporation	Place of Activity	Principle Activity
Afcons Vijeta PES Joint Venture	India	India	Infrastructure
Afcons Sibmost Joint Venture	India	India	Infrastructure
Dahej Standby Jetty Project undertaking	India	India	Infrastructure
Afcons Gunanusa Joint Venture	India	India	Infrastructure
Afcons Pauling Joint Venture	India	India	Infrastructure
Afcons SMC Joint Venture	India	Tanzania	Infrastructure
Afcons - Vijeta Joint Venture	India	India	Infrastructure
Afcons JAL Joint Venture	India	India	Infrastructure
Transtonnelstroy Afcons Joint Venture	India	India	Infrastructure
Afcons KPTL Joint Venture	India	Bangladesh	Infrastructure
Afcons Sener LNG Construction Projects Pvt.Ltd.	India	India	Infrastructure
Ircon Afcons Joint Venture	India	Bangladesh	Infrastructure
Strabag AG Afcons Joint Venture	India	India	Infrastructure
Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd Joint Venture	India	Tanzania	Infrastructure
Afcons - Vijeta Joint Venture	India	Zimbabwe	Infrastructure

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 3. Property, plant and equipments

A. Tangible assets

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	19.73	1.04	-	20.77	31.62
(c) Plant and equipment	2,447.74	438.90	(27.44)	2,859.20	1,115.21	187.58	(18.14)	1,284.65	1,574.55
(d) Furniture and fixtures	60.36	12.04	(1.90)	70.50	22.96	5.92	(0.98)	27.90	42.60
(e) Vehicles	40.48	7.06	(0.30)	47.24	20.68	4.03	(0.20)	24.51	22.73
(f) Office equipments	50.44	9.31	(1.49)	58.26	35.57	6.32	(1.29)	40.60	17.66
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	268.02	7.87	(8.92)	266.97	85.66	16.37	(8.80)	93.23	173.74
(i) Laboratory equipments	4.07	0.03	-	4.10	1.04	0.18	-	1.22	2.88
(j) Shuttering materials	297.83	94.30	-	392.13	209.74	74.34	-	284.08	108.05
(k) Accessories and attachments	101.89	33.79	-	135.68	58.53	16.72	-	75.25	60.43
Total	**3,530.48**	**603.30**	**(40.05)**	**4,093.73**	**1,571.91**	**312.50**	**(29.41)**	**1,855.00**	**2,238.73**

Previous year

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2020	Additions	Disposals	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Depreciation for the year	Disposals	Balance as at 31st March, 2021	Balance as at 31st March, 2021
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	18.62	1.11	-	19.73	32.66
(c) Plant and equipment	2,255.69	213.44	(21.39)	2,447.74	1,006.89	120.05	(11.73)	1,115.21	1,332.53
(d) Furniture and fixtures	52.77	10.19	(2.60)	60.36	19.98	5.12	(2.14)	22.96	37.40
(e) Vehicles	38.03	2.65	(0.20)	40.48	16.97	3.91	(0.20)	20.68	19.80
(f) Office equipments	57.09	4.66	(11.31)	50.44	40.22	6.05	(10.70)	35.57	14.87
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	257.76	11.33	(1.07)	268.02	71.26	15.45	(1.05)	85.66	182.36
(i) Laboratory equipments	3.98	0.09	-	4.07	0.86	0.18	-	1.04	3.03
(j) Shuttering materials	240.59	57.24	-	297.83	159.41	50.33	-	209.74	88.09
(k) Accessories and attachments	85.73	16.16	-	101.89	46.30	12.23	-	58.53	43.36
Total	**3,251.29**	**315.76**	**(36.57)**	**3,530.48**	**1,383.30**	**214.43**	**(25.82)**	**1,571.91**	**1,958.57**

Notes:

(1) Freehold land with a carrying amount of ₹ 204.47 Crores (as at 31st March 2021 ₹ 204.47 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Buildings carrying amount of ₹ 31.62 Crores (as at 31st March 2021 ₹ 32.66 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Movable Plant and machinery, construction equipments, machinery spares, tools and accessories with a carrying amount of ₹ 1,823.66 Crores (as at 31st March 2021 ₹ 1,560.51 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No.14.

B. CWIP under development:

CWIP under development - Ageing Schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	17.53	-	-	-	**17.53**
Projects temporarily suspended	-	-	-	-	**-**

Previous Year	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	145.52	-	-	-	**145.52**
Projects temporarily suspended	-	-	-	-	**-**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

C. Intangible assets

(₹ in Crores)

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Amortisation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Computer software - acquired	12.92	0.22	-	13.14	12.47	0.02	-	12.49	0.65
Total	**12.92**	**0.22**	**-**	**13.14**	**12.47**	**0.02**	**-**	**12.49**	**0.65**

Previous year

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2020	Additions	Disposals	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Amortisation for the year	Disposals	Balance as at 31st March, 2021	Balance as at 31st March, 2021
Computer software - acquired	12.92	-	-	12.92	12.30	0.17	-	12.47	0.45
Total	**12.92**	**-**	**-**	**12.92**	**12.30**	**0.17**	**-**	**12.47**	**0.45**

D. Right-of-use Asset

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Land	31.36	57.80	-	**89.16**	15.97	22.23	-	**38.20**	**50.96**
Buildings	54.84	20.24	-	**75.08**	44.01	16.47	-	**60.48**	**14.60**
Total	**86.20**	**78.04**	**-**	**164.24**	**59.98**	**38.70**	**-**	**98.68**	**65.56**

Previous year

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2020	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2021	Balance as at 31st March, 2021
Land	20.08	11.28	-	**31.36**	7.47	8.50	-	**15.97**	**15.39**
Buildings	52.64	3.28	(1.08)	**54.84**	21.78	22.79	(0.56)	**44.01**	**10.83**
Total	**72.72**	**14.56**	**(1.08)**	**86.20**	**29.25**	**31.29**	**(0.56)**	**59.98**	**26.22**

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of Land or Building and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate);
- The Company also considers other factors including the costs and business disruption required to replace the eased asset;
- Most extension options in the leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No. 4. Non-current investments

	Particulars	Face Value	As at 31st March, 2022 Quantity	As at 31st March, 2022 Amount (₹ in Crores)	As at 31st March, 2021 Quantity	As at 31st March, 2021 Amount (₹ in Crores)
A.	**Investments at cost**					
	Unquoted investments (fully paid)					
(a)	Investment in equity instruments :					
	(i) of subsidiaries					
	Hazarat & Co.Pvt.Ltd.	₹ 10	2,02,610	0.20	2,02,610	0.20
	Afcons Hydrocarbons Engineering Pvt. Ltd.	₹ 10	1,00,000	0.26	1,00,000	0.26
	Afcons Corrosion Protection Pvt. Ltd.	₹ 10	80,000	0.06	80,000	0.06
	Afcons Oil & Gas Services Pvt. Ltd	₹ 10	7,400	0.01	7,400	0.01
	Afcons Construction Mideast LLC.*	AED 1000	147	0.18	147	0.18
	Afcons Infrastructures Kuwait for Building, Road & Marine Contracting WLL.*	KD 1200	49	0.96	49	0.96
	Afcons Mauritius Infrastructure Ltd.	Euro 1	11,00,000	9.17	11,00,000	9.17
	Afcons Overseas Singapore Pte. Ltd.	SGD 1	50,000	0.24	50,000	0.24
	Afcons Saudi Constructions LLC	SAR 100	4,750	0.80	4,750	0.80
	(ii) of others related parties					
	Afcons (Mideast) Constructions & Investments Pvt. Ltd.	₹ 100	1	#	1	#
				11.88		11.88
	Less: Provision for diminution in value of investment ^			0.36		0.36
				11.52		**11.52**
	^ Provision is for Afcons Saudi Constructions LLC					
	* Subsidiary on the basis of control on the composition of the board of directors.					
	Investments carried at Cost (A)			**11.52**		**11.52**
B.	**Investment in equity instruments at fair value through other comprehensive income**					
	Quoted investments (fully paid)					
	(a) Investment in equity instruments :					
	Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	0.88	40,072	0.39
	Hindustan Construction Co. Ltd.	₹ 1	2,000	#	2,000	#
	Simplex Infrastructures Ltd.	₹ 2	500	#	500	#
	ITD Cementation India Ltd.	₹ 1	1,000	0.01	1,000	0.01
	Gammon India Ltd.	₹ 2	250	#	250	#
	Total aggregate quoted investments			**0.89**		**0.40**
	Unquoted investments (fully paid)					
	(b) Investment in equity instruments :					
	Simar Port Ltd.	₹ 10	1,000	#	1,000	#
	Total aggregate unquoted investments			**#**		**#**
	# Amount is below the rounding off norms adopted by the Company.					
	Total investments carrying value (A+B)			**12.41**		**11.92**
	Aggregate amount of quoted investments			0.30		0.30
	Aggregate market value of quoted investments			0.89		0.40
	Aggregate amount of unquoted investments			11.52		11.52

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

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets carried at FVTOCI - equity instruments	0.89	0.40
Financial Assets carried at amortised cost	11.52	11.52
	12.41	**11.92**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 5. Trade receivables (₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
From Customers:				
a) Unsecured, Considered good (including retention monies)	1,790.17	757.46	1,989.70	550.21
b) Having Significant increase in credit risk	-	-	-	-
c) Credit Impaired	-	-	-	-
	1,790.17	757.46	1,989.70	550.21
Less: Allowance for bad and doubtful receivables (expected credit loss allowance)	-	81.74	-	79.01
	1,790.17	675.72	1,989.70	471.20
From Related parties	398.77	3.16	375.40	3.16
Total	**2,188.94**	**678.88**	**2,365.10**	**474.36**

Note No. 5.1.A. - Movement in allowance for bad and doubtful receivables (expected credit loss allowance) (₹ in Crores)

Particulars	Current	Non Current
Balance as at 31st March, 2020	-	28.84
Add: Created during the year	-	50.17
Less: Released during the year	-	-
Balance as at 31st March, 2021	**-**	**79.01**
Add: Created during the year	-	3.17
Less: Released during the year	-	0.44
Balance as at 31st March, 2022	**-**	**81.74**

Note No. 5.1.B. - Trade Receivables ageing schedule (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good (Current)	26.70	1,119.75	314.77	246.79	239.31	177.09	**2,124.41**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	2.15	8.50	19.66	24.66	45.83	**100.80**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**	**-**
Disputed Trade Receivables							
(i) Considered good (Current)	-	0.03	22.90	40.83	0.01	0.76	**64.53**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	-	105.41	-	0.16	472.51	**578.08**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	**-**	**-**	81.74	**81.74**

Previous Year (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good (Current)	137.29	1,129.69	314.38	307.97	149.50	150.51	**2,189.34**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	8.19	0.02	6.40	7.98	31.98	**54.57**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**	**-**
Disputed Trade Receivables							**-**
(i) Considered good (Current)	-	175.76	-	-	-	-	**175.76**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	-	-	-	119.61	300.18	**419.79**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	0.44	78.57	**79.01**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 6. Loans and advances

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Advances to related parties (unsecured, considered good)				
To Subsidiaries / fellow subsidiaries	0.95	2.23	0.89	51.96
To Joint operations	20.73	-	17.65	-
Total	**21.68**	**2.23**	**18.54**	**51.96**

These financial assets are carried at amortised cost

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

(₹ in Crores)

Particulars	Amount Outstanding	Percentage to the total loans & advances in the nature of loans
Amounts repayable on demand		
- Promoters	-	0.00%
- Directors	-	0.00%
- Key managerial personnel	-	0.00%
- Other related party	23.91	100.00%

Note No 7. Other financial assets

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
(a) Interest on trade receivables as per arbitration awards	57.45	182.93	63.03	167.60
(b) Deposits (unsecured, considered good)				
(i) Security deposits	5.61	26.91	10.22	19.98
(ii) Other deposits	0.57	1.72	0.48	1.48
	6.18	28.63	10.70	21.46
(c) Other loans and advances (doubtful)	-	0.16	-	0.16
Less: provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
(d) Bank deposits having maturity of more than 12 months (given towards margin money / under lien)	-	17.85	-	19.37
(e) Others	28.01	79.28	39.53	65.24
Total	**91.64**	**308.69**	**113.26**	**273.67**

Note No 8. Contract assets

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Contract assets				
Amounts due from customer under construction contracts				
Unsecured, considered good	2,333.19	1,539.19	2,332.89	1,518.02
Doubtful	-	-	-	-
	2,333.19	1,539.19	2,332.89	1,518.02
Less: Allowance for expected credit losses	-	47.90	-	25.00
Total	**2,333.19**	**1,491.29**	**2,332.89**	**1,493.02**

Note No. 8.1 - Movement in expected credit loss allowance

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Opening balance for loss allowance	-	25.00	-	9.00
Add: Loss allowance assessed for the current year (net of reversal)	-	22.90	-	16.00
Less: Reversal of loss allowance on account of debts written-off	-	-	-	-
Closing balance for loss allowance	**-**	**47.90**	**-**	**25.00**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 8.2 Other non-current and current assets

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
(a) Capital advances	-	21.60	-	15.20
(b) Pre-paid expenses	76.88	24.01	40.86	18.13
(c) Balances with government authorities				
(i) GST / VAT credit receivable	635.90	120.56	455.37	114.83
(ii) Service tax credit receivable	-	30.47	-	30.23
(iii) Duty credit receivables	1.20	-	7.27	-
	637.10	151.03	462.64	145.06
(d) Others				
(i) Advance to vendors and others	413.60	-	407.27	2.72
(ii) Other receivables	27.56	-	30.92	-
(iii) Advances to employees	3.42	-	4.82	-
	444.58	-	443.01	2.72
Total	**1,158.56**	**196.64**	**946.51**	**181.11**

Note No 9. Inventories - at lower of cost or net realisable value

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Construction materials		
Steel	578.59	367.48
Cement	16.00	15.27
Aggregate	75.03	30.32
Other construction material	270.20	201.25
	939.82	614.32
Stores and spares	307.00	272.20
	307.00	272.20
Total	**1,246.82**	**886.52**

Note No 10. Cash and cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks	203.47	360.70
Cash on hand	3.03	2.91
Total cash and cash equivalents	**206.50**	**363.61**

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

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Earmarked balance with banks		
- Unpaid dividend accounts	0.11	0.13
- Balances held as margin money or security against borrowings, guarantees and other commitments	62.02	84.03
- Other earmarked accounts / escrow account	3.81	3.90
Deposits having maturity of more than 3 months but less than 12 months	5.18	2.16
Total	**71.12**	**90.22**

Note No 11. Non current tax assets (Net)

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance income tax (net of provisions ₹ 128.93 Crores) (As at 31st March, 2021 ₹ 169.74 Crores)	68.72	110.64
Total	**68.72**	**110.64**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 12 (A). Equity share capital

	Particulars	As at 31st March, 2022		As at 31st March, 2021	
		Number of shares	₹ in Crores	Number of shares	₹ in Crores
1.	**Authorized:**				
	Equity share capital of ₹ 10 each				
	Opening Balance	35,00,00,000	350.00	35,00,00,000	350.00
	Add: Increase during the year	-	-	-	-
	Closing Balance	**35,00,00,000**	**350.00**	**35,00,00,000**	**350.00**
2.	**Issued, subscribed and fully paid up:**				
	Equity shares of ₹ 10 each. (Refer note 12.1 below)				
	Opening Balance	7,19,70,238	71.97	7,19,70,238	71.97
	Add: Increase during the year	-	-	-	-
	Closing Balance	**7,19,70,238**	**71.97**	**7,19,70,238**	**71.97**

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

A member has a right to receive dividend as may be proposed by the board and approved at the annual general meeting. The Equity shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provision of the Act. Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

12.2. Details of equity shares held by each shareholder holding more than 5% of shares of the Company and Details of Shareholding of Promoters:

Class of shares / name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Promoters:				
Shapoorji Pallonji & Company Private Limited	4,91,05,652	68.23	4,91,05,652	68.23
Floreat Investments Limited	1,30,15,929	18.09	1,30,15,929	18.09
Non Promoters:				
Renaissance Commerce Private Limited	40,18,690	5.58	40,16,370	5.58
Hermes Commerce Limited	40,16,250	5.58	40,16,250	5.58

12.3. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Authorised		Issued, subscribed and fully paid up	
	Numbers (in Crores)	₹ in Crores	Numbers (in Crores)	₹ in Crores
Equity shares outstanding as at 31st March, 2020	**35.00**	**350.00**	**7.20**	**71.97**
Add: Shares issued during the year	**-**	**-**	**-**	**-**
Equity shares outstanding as at 31st March, 2021	**35.00**	**350.00**	**7.20**	**71.97**
Add: Shares issued during the year	**-**	**-**	**-**	**-**
Equity shares outstanding as at 31st March, 2022	**35.00**	**350.00**	**7.20**	**71.97**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 12 (B). Instruments entirely equity in nature

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. Authorized:				
Preference shares of ₹ 10 each.	65,00,00,000	650.00	65,00,00,000	650.00
Total	**65,00,00,000**	**650.00**	**65,00,00,000**	**650.00**
2. Issued, subscribed and fully paid up:				
(a) 0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10 each. (Refer note 12.4 below)				
Opening Balance	10,00,00,000	100.00	10,00,00,000	100.00
Add: Increase during the year	-	-	-	-
Closing Balance	**10,00,00,000**	**100.00**	**10,00,00,000**	**100.00**
(b) 0.01% Fully and compulsorily convertible non-cumulative, non participatory preference shares of ₹ 10 each. (Refer note 12.5 below)				
Opening Balance	25,00,00,000	250.00	25,00,00,000	250.00
Add: Increase during the year	-	-	-	-
Closing Balance	**25,00,00,000**	**250.00**	**25,00,00,000**	**250.00**
(c) 0.01% Fully and compulsorily convertible non-cumulative, non participatory preference shares of ₹ 10 each. (Refer note 12.6 below)				
Opening Balance	10,00,00,000	100.00	10,00,00,000	100.00
Add: Increase during the year	-	-	-	-
Closing Balance	**10,00,00,000**	**100.00**	**10,00,00,000**	**100.00**

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

(a) The preference shares shall be non-cumulative and non profit participating convertible Preference Shares carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares.

(b) The terms of this Preference Shares have been varied with consent of the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018 whereby the preference shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25 per equity share (consisting of par of ₹ 10 and a premium of ₹ 58.25) immediately, automatically and without any further act of the parties in the event of conversion of the preference shares mentioned in note 12.5 (a) below.

(c) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

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

(a) The preference shares are automatically and mandatorily converted into equity shares on 13th January, 2024 (“mandatory conversion date”) or any early date of conversion at the instruction of the Preference shareholder (“early conversion date”). It may be noted that the holder of the said preference shares has on 21st July 2022, requested the Company to vary the early conversion date to be effective from any time on or after 31st January, 2023. The Company would undertaking requisite corporate action to obtain shareholders’ approval to the proposed variation of the early conversion date of the said preference share to be effective from any time on or after 31st January, 2023.

(b) On mandatory conversion date or the early conversion date, as the case maybe, the preference shares shall be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 17th July, 2020.

(c) The preference shares shall be entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).

(e) The preference shares shall not confer any further right to participate in the profits or assets of the Company except as mentioned above.

(f) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

(g) The preference shares shall be transferable in accordance with the terms and conditions of the Articles and other provisions agreed between the Company and the preference shareholder.

(h) The equity shares of the Company issued upon conversion of the preference shares will rank pari passu with the other equity shares existing on the conversion date and shall be transferable in accordance with the terms and conditions of the Articles.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

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

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 21st March, 2024 ("mandatory conversion date") i.e. on the expiry of ten year, from the issue date. The mandatory conversion date of the 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares had been revised from 21st March, 2019 (5th year from the date of issue) to 21st March, 2024 (10th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) On mandatory conversion date, the preference shares shall be converted into such number of equity shares of the Company at the price of ₹ 132 per equity shares (consisting of par of ₹ 10 and a premium of ₹ 122).

(c) The preference shares shall be entitled to fixed non-cumulative dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it.

(e) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

12.7. Details of preference shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
0.01% Non cumulative and non profit participatory convertible preference shares				
Floreat Investments Limited	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Goswami Infratech Private Limited	25,00,00,000	100.00	25,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Shapoorji Pallonji & Company Private Limited	10,00,00,000	100.00	10,00,00,000	100.00

Note No 12.8. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares			Number of shares		
Shapoorji Pallonji & Company Private Limited, the holding company	4,91,05,652	-	10,00,00,000	4,91,05,652	-	10,00,00,000
Subsidiaries of the holding company:						
Floreat Investments Limited	1,30,15,929	10,00,00,000	-	1,30,15,929	10,00,00,000	-

Note No 12.9.

The word company used in the Balance Sheet and Statement of Profit & Loss including the accompanying notes to accounts is defined as "Afcons Infrastructure Limited" including all of its branches and Jointly Controlled Operations.

Note No 13. Other Equity

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital reserve	0.19	0.19
Capital redemption reserve	0.13	0.13
Securities premium account	10.28	10.28
Contingency reserve	8.00	8.00
Debenture redemption reserve	-	43.75
General reserve	65.70	65.70
Foreign exchange translation reserve through other comprehensive income	(27.88)	(21.98)
Retained earnings	1,640.73	1,373.12
Reserve for equity instruments through other comprehensive income	19.70	19.21
Total	**1,716.85**	**1,498.40**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Movement in other equity (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Capital reserve		
Opening balance	0.19	0.19
Closing balance	0.19	0.19
(b) Capital redemption reserve		
Opening balance	0.13	0.13
Closing balance	0.13	0.13
(c) Securities premium account		
Opening balance	10.28	10.28
Closing balance	10.28	10.28
(d) Contingencies reserve		
Opening balance	8.00	8.00
Closing balance	8.00	8.00
(e) Debenture redemption reserve		
Opening balance	43.75	52.50
Add : Transferred to surplus in Statement of Profit and Loss	(43.75)	(8.75)
Closing balance	-	43.75
(f) General reserve		
Opening balance	65.70	65.70
Closing balance	65.70	65.70
(g) Foreign currency translation reserve		
Opening balance	(21.98)	(25.05)
Add : Effect of foreign exchange rate variations during the year	(5.90)	3.07
Closing balance	(27.88)	(21.98)
(h) Retained earnings		
Opening balance	1,373.12	1,262.82
Add: Profit for the year	259.30	125.93
Add: Other items classified to other comprehensive income	(10.20)	0.86
Less: Appropriations		
Interim dividend on equity shares (₹ 3.50 per share) (previous year ₹ 3.50 per share)	25.19	25.19
Dividend on preference shares (₹ 0.001 per share) (previous year ₹ 0.001 per share)	0.05	0.05
Transferred to / (from) Debenture redemption reserve	(43.75)	(8.75)
Closing balance	1,640.73	1,373.12
(i) Reserve for equity instruments through other comprehensive income		
Opening balance	19.21	18.95
Net fair value gain on investments in equity instruments measured at FVTOCI	0.49	0.26
Closing balance	19.70	19.21
Total	**1,716.85**	**1,498.40**

Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies

Capital redemption reserve

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

Securities premium account

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

Debenture redemption reserve

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

General reserve:

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Foreign currency translation reserve:

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

Retained earning and dividend on equity shares:

This represent the surplus / (deficit) of the profit or loss. The amount that can be distributed by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013.

On 1st February, 2022, an interim dividend of ₹ 3.50 per share (total dividend ₹ 25.19 Crores) was paid to holders of fully paid equity shares.

Reserve for equity instrument measured through other comprehensive income

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

Note No 14. Non current borrowings (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
(a) Equipment loan (Secured) (Refer note 14.1.(i))		
From banks		
Rupee loan	378.29	472.64
(b) Other loans and advances		
Foreign Currency Loan (Secured) (Refer note 14.1.(ii))		
Buyers Credit from Banks	23.60	-
Total	**401.89**	**472.64**

14.1 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2022		As at 31st March, 2021	
		Secured	Unsecured	Secured	Unsecured
14.1 (i) Equipment loan from banks					
Rupee loan:					
Axis Bank	Refer note 14.1 (iii) below	40.00	-	80.00	-
HSBC Bank		31.25	-	43.75	-
State Bank of India		120.00	-	160.00	-
SBM Bank		27.78	-	38.89	-
Export Import Bank of India		159.26	-	150.00	-
Total - Equipment loan		378.29	-	472.64	-
(ii) Other Loans and Advances from banks - Buyer's Credit Foreign Currency Loans					
Axis Bank	Refer note 14.1 (iv) below	23.60	-	-	-
Total long-term borrowings from banks		**401.89**	**-**	**472.64**	**-**

14.1 (iii). Secured by first pari passu charge on plant & machinery. The rupee loan of Axis Bank Limited carry interest @ 7.90% per annum, State Bank of India carry interest @ 7.70% per annum,HSBC Limited carry interest @ 8.25% per annum, SBM Bank carry interest @ 9.20% per annum and Export Import Bank of India carry interest @ 8.30% per annum. The repayment schedule of the loans are as follows:

As at 31st March, 2022 (₹ in Crores)

Nature	Bank name	Loan amount	Repayment schedule
Rupee Loan	Axis Bank	40.00	Each annual installment of ₹ 40 Crores upto 2023-24
	HSBC Bank	31.25	Semi annual installment of ₹ 6.25 Crores upto 2025-26
	State Bank of India	120.00	Semi annual installment of ₹ 20 Crores upto 2025-26
	SBM Bank	27.78	Semi annual installment of ₹ 5.56 Crores upto 2025-26
	Export Import Bank of India	159.26	Each monthly installment of ₹ 3.70 Crores upto 2026-27

14.1 (iv) Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest ranging of 0.95% to 1.00% per annum. The repayment schedule of the loan is as follows:

As at 31st March, 2022 (₹ in Crores)

Nature	Bank name	Loan amount	Repayment schedule
Buyers Credit	Axis Bank	23.60	Bullet Payment in 2023-24

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 15. Trade payables

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to micro and small enterprises	368.23	29.05	348.33	4.57
(b) Total outstanding due to creditors other than micro and small enterprises	2,236.94	410.68	2,429.77	447.69
Total	**2,605.17**	**439.73**	**2,778.10**	**452.26**

Trade payables ageing schedule

(₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	137.93	203.05	32.74	13.68	9.88	**397.28**
(ii) Others	1,229.55	1,170.63	108.60	57.99	73.35	**2,640.12**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	**-**
(ii) Others	-	0.51	0.45	0.66	5.88	**7.50**

Pervious Year

(₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	138.65	171.99	20.92	14.29	7.05	**352.90**
(ii) Others	1,150.29	1,356.81	138.38	159.53	65.46	**2,870.47**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	**-**
(ii) Others	-	0.45	0.66	-	5.88	**6.99**

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

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) The principal amount remaining unpaid to supplier as at the end of accounting year	366.17	328.40
(b) The interest due thereon remaining unpaid to supplier as at the end of accounting year	12.88	13.76
(c) The amount of principal paid in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year.	133.09	153.74
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	18.23	10.74
(e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	8.90	7.16
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises for the purpose of disallowance as a deductible expenditure	31.11	24.50

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 16. Other financial liabilities

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
(a) Capital creditors	195.20	-	69.37	-
(b) Employee benefit payables	90.96	-	55.76	-
(c) Unclaimed / unpaid dividends #	0.11	-	0.11	-
(d) Interest accrued on advance from customers	58.93	-	55.06	-
(e) Other payables				
(i) Trade / security deposits received	66.61	-	56.48	-
(ii) Amount received on invocation of bank guarantees	-	7.51	-	76.54
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others	77.67	180.57	91.60	172.04
Total - Other payables	**144.28**	**188.09**	**148.08**	**248.59**
Total	**489.48**	**188.09**	**328.38**	**248.59**

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

Note No 17. Contract liabilities

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Contract liabilities				
Amount due to customers	1,583.56	-	1,460.00	-
Advances from customers	1,125.74	1,766.30	974.71	1,576.73
Total	**2,709.30**	**1,766.30**	**2,434.71**	**1,576.73**

Note No 17.1 Other non-current and current liabilities

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Statutory remittances (VAT, GST, Service tax, Contributions to PF, Superannuation, ESIC, Withholding taxes, Labour welfare cess, etc.)	44.94	-	48.78	-
Other payables				
Advance against sale of scrap	0.16	-	0.05	-
Advance from subsidiaries	13.97	-	7.69	-
Total	**59.07**	**-**	**56.52**	**-**

Note No 18. Provisions

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Provision for employee benefits:*				
Provision for leave encashment	42.52	-	28.04	-
Provision for gratuity	12.00	7.01	8.00	3.07
	54.52	7.01	36.04	3.07
Provision - Others:				
Provision for doubtful advance	-	79.28	-	-
Provision for foreseeable losses for onerous contracts (Refer note 18.1)	14.02	-	33.02	-
Total	**68.54**	**86.29**	**69.06**	**3.07**

* The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and gratuity.

Note No. 18.1 - Movement in Provision for foreseeable losses for onerous contracts

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Opening Balance	33.02	-	9.82	-
Add: Additions made during the year	-	-	23.83	-
Less: Reversals made during the year	19.00	-	0.63	-
Closing Balance	**14.02**	**-**	**33.02**	**-**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

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

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for tax (net of advance tax ₹ 224.47 Crores) (As at 31st March, 2021 ₹ 68.21 Crores)	15.35	46.04
Total	**15.35**	**46.04**

Note No 20. Current borrowings (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) **Current maturities of long-term debts** (Refer note 20.1 below)	147.16	282.32
(b) **Working capital demand loans from banks**		
Secured (Refer note 20.2 below)	845.92	805.53
(c) **Short term Loans from Bank**		
Foreign Currency Loan:		
Buyers Credit (Secured) (Refer Note 20.2 below)	64.72	-
(d) **Cash credit facility from banks**		
Secured (Refer note 20.2 below)	57.07	23.91
(e) **Book Overdraft** (Refer note 20.2 below)	-	1.57
(f) **Acceptances**	38.44	-
(g) **From related parties (Unsecured)**	5.80	4.71
Total	**1,159.11**	**1,118.04**

Note 20.1: (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non Convertible Debentures (Unsecured)	-	175.00
Equipment loans from banks (Rupee Loan) (Secured) #	144.35	100.18
Interest accrued but not due on borrowings	2.81	7.14
Total	**147.16**	**282.32**

For nature of security and interest rate refer note no.14.1

Note 20.2: Details of security for the secured short-term borrowings: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2022	As at 31st March, 2021
Working capital demand loans (WCDL)			
From banks:			
State Bank of India	Refer note 20.3 below	340.00	300.00
Indian Bank		30.00	30.00
Export Import Bank of India		200.00	200.00
ICICI Bank		45.00	45.00
Union Bank of India		14.92	15.00
UCO Bank		30.00	30.00
Bank of India		30.00	29.79
Axis Bank		78.00	78.00
Punjab National Bank		72.00	71.74
IDBI Bank		6.00	6.00
		845.92	805.53
Short term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Axis Bank	Refer note 20.3 below	64.72	-
Cash credit facility and Book overdraft	Refer note 20.3 below	57.07	25.48

Note 20.3:

(i) Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / working capital demand loan is further secured by the Company's proportionate share of current assets in all the joint ventures both present and future.

(ii) Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 7.25% to 9.50% per annum (as on 31st March, 2021 interest ranging from 7.35% to 9.25% per annum). Buyers Credit from Axis bank carrying interest @ 0.95% to 1.00% per annum.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 21. Current tax and deferred tax

(a) Income tax expense (₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current tax:		
Current tax in respect of current year	127.63	117.55
Adjustments in respect of previous years	-	-
Deferred tax		
In respect of current year	(103.89)	9.75
Total income tax expense recognised in the statement of profit and loss account	**23.74**	**127.30**

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Amount	Tax rate	Amount	Tax rate
Profit before tax	283.04		253.23	
Income tax using the Company's domestic tax rate	71.24	25.17%	88.49	34.94%
Effect of income that is exempt from taxation				
Non-taxable income	(0.09)	-0.03%	(2.95)	-1.16%
Loss in respect of which deferred tax assets not recognised due to uncertainty	4.60	1.63%	33.03	13.04%
Disallowable expenses	1.83	0.65%	9.01	3.56%
Effect of tax rates differences of entities operating in other jurisdictions having different tax rates	10.47	3.70%	9.70	3.83%
Charge/(credit) in respect of previous years	3.10	1.10%	0.27	0.11%
Effect of change in tax rates	(59.39)	-20.98%	(17.27)	-6.82%
Others	(8.02)	-2.83%	7.02	2.77%
Income tax expenses recognised in Statement of Profit and Loss	**23.74**	**8.41%**	127.30	50.27%

Note:

(i) The tax rate used for the financial years 2021-22 and 2020-21 reconciliations above is the corporate tax rate of 25.17% and 34.94% respectively payable by the corporate entities in India on taxable profits under the Indian tax law.

(ii) The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act. 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has created provision for current year and remeasured its Deferred Tax Liability basis the rate prescribed in this section. The impact of this change as recognised in the Statement of Profit and Loss is ₹ 39.47 Crores (Previous year Nil) and in Other Comprehensive Income is ₹ 1.33 Crores (Previous year Nil).

(c) Movement of deferred tax (₹ in Crores)

Particulars	For the year ended 31st March, 2022				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	87.54	(31.06)	-	-	56.48
Arbitration awards	186.50	(63.08)	-	-	123.42
	274.04	(94.14)	-	-	179.90
Tax effect of items constituting deferred tax assets					
Employee benefits	(13.67)	(1.41)	(3.43)	-	(18.51)
Adjustment on adoption of Ind As 116	(0.50)	(0.13)	-	-	(0.63)
Expected credit loss	(13.47)	(2.79)	-	-	(16.26)
Provisions	(34.47)	(5.42)	-	-	(39.89)
	(62.11)	(9.75)	(3.43)	-	(75.29)
Net tax liabilities	**211.93**	**(103.89)**	**(3.43)**	**-**	**104.61**

(₹ in Crores)

Particulars	For the Year ended 31st March 2021				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	78.50	9.20	-	(0.16)	87.54
Arbitration awards	191.07	(4.57)	-	-	186.50
	269.57	4.63	-	(0.16)	274.04
Tax effect of items constituting deferred tax assets					
Employee benefits	(16.46)	2.33	0.46	-	(13.67)
Adjustment on adoption of Ind As 116	(0.78)	0.28	-	-	(0.50)
Expected credit loss	(7.88)	(5.59)	-	-	(13.47)
Provisions	(8.61)	(25.86)	-	-	(34.47)
Minimum alternate tax credit	(29.76)	33.96	-	(4.20)	-
	(63.49)	5.12	0.46	(4.20)	(62.11)
Net tax liabilities	**206.08**	**9.75**	**0.46**	**(4.36)**	**211.93**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 22. Revenue from operations

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Revenue from sale of goods (Construction Materials)	55.49	35.96
(b)	Construction contract revenue (Refer note 22.1 below)	10,348.73	8,804.60
(c)	Other operating income (Refer note 22.2 below)	94.33	90.11
	Total	**10,498.55**	**8,930.67**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
22.1	**Construction contract revenue comprises:**		
	Construction revenue	10,348.73	8,804.60
	Total - Sale of services	**10,348.73**	**8,804.60**
22.2	**Other operating income comprises:**		
	Sale of scrap	44.21	42.20
	Others	50.12	47.91
	Total - Other operating revenues	**94.33**	**90.11**

Note No 23. Other income

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	63.74	105.20
(b)	Dividend income	45.17	73.66
(c)	Other non operating income (Refer note 23.2 below)	185.05	44.29
	Total	**293.96**	**223.15**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
23.1	**Interest income comprises:**		
	Interest on arbitration awards	36.81	85.55
	Other interest	26.93	19.65
	Total - Interest income	**63.74**	**105.20**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors / advances no longer required written back	38.37	-
	Creditors / Excess provision written back	26.43	2.39
	Insurance claim received	28.37	7.22
	Provision for projected loss on contract written back	19.00	0.63
	Net gain on foreign currency transactions and translation	57.56	20.23
	Miscellaneous income	15.32	13.82
	Total - Other non-operating income	**185.05**	**44.29**

Note No 24. Cost of material consumed

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cost of construction materials consumed (Including bought out Items)	2,915.03	2,404.43
Total	**2,915.03**	**2,404.43**

Note No 24.1. Cost of construction

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Stores and spare consumed	578.10	390.63
Subcontracting expenses	2,461.80	2,167.25
Equipments hire / rent charges	529.08	438.23
Site installation	133.73	84.19
Technical consultancy	184.71	138.56
Power and fuel consumed	523.11	375.08
Freight and handling charges	434.51	393.17
Total	**4,845.04**	**3,987.11**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 25. Cost of traded goods

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Construction materials	85.50	45.51
Total	**85.50**	**45.51**

Note No 26. Employee benefits expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, wages and bonus	861.58	714.71
Contributions to provident and other funds:		
Contribution to provident fund	28.38	23.42
Gratuity expense	5.77	6.08
Leave encashment expense	18.89	2.73
Other Post employment benefits	27.45	22.05
Staff welfare expenses	96.66	98.52
Total	**1,038.73**	**867.51**

Note No 27. Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on:		
Bank overdrafts and loans	151.22	166.72
Advance from customers	100.51	136.31
Lease liabilities	6.68	3.18
Others	48.12	50.14
	306.53	356.35
Other borrowing costs:		
Bank guarantee commission including bank charges	112.37	99.67
Others	4.32	9.51
Total	**423.22**	**465.53**

Note No 28. Depreciation and amortisation expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on tangible assets	312.50	214.43
Amortisation on intangible assets	0.02	0.17
Depreciation on right-of-use assets	38.70	30.73
Depreciation and amortisation as per Statement of Profit and Loss	**351.22**	**245.33**

Note No 29. Other expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Water and electricity	11.31	11.19
Rent/ Hire charges	39.34	31.30
Repairs and maintenance - Machinery	29.21	21.22
Repairs and maintenance - Others	18.87	16.37
Insurance charges	110.03	79.64
Rates and taxes	83.84	72.39
Communication	10.35	9.83
Travelling and conveyance	114.22	81.43
Security charges	63.40	47.64
Donations and contributions	0.40	9.47
Expenditure on corporate social responsibility (CSR)	0.71	1.35
Legal and professional	191.82	139.02
Payment to auditors	1.59	1.77
Advances written off	0.63	0.65
Provision for Doubtful Debtors / Advances	79.28	50.17
Bad / irrecoverable debtors / unbilled revenue written off	1.44	208.49
Expected credit loss on contract assets and trade receivables	26.07	16.00
Provision for foreseeable losses for onerous contracts	-	23.83
Loss on sale of fixed assets	6.52	7.03
Miscellaneous expenses	61.70	56.38
Total	**850.73**	**885.17**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 29.1: Details of payment to auditors (₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Auditors remuneration comprises		
(a) To auditors		
For statutory audit	1.01	1.09
For tax audit	0.02	0.13
For other services (taxation matters, GST, certification work)	0.54	0.53
Reimbursement of expenses	#	#
# Amount is below the rounding off norms adopted by the Company.		
	1.57	**1.75**
(b) To cost auditors	0.02	0.02
	0.02	0.02
Total (a + b)	**1.59**	**1.77**

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

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts (excluding claims where amounts are not ascertainable)		
i) Differences with sub-contractors / vendors in regard to rates and quantity of materials.	**377.59**	88.17
ii) Royalty Claims*	**483.64**	483.64
(b) Claims against the joint operations not acknowledged as debts	**156.21**	65.67
(c) Guarantees		
i) Bank guarantees given on behalf of subsidiaries and counter guaranteed by the Company.	**24.98**	71.37
(d) Sales tax and entry tax		
Represents demands raised by sales tax authorities in matters of a) disallowance of labour and service charges, consumables etc. b) Tax on AS7 turnover c) Entry tax and d) Interest and penalty etc. for which appeal is pending before various appellate authorities. The Company is confident that the cases will be successfully contested.	**21.00**	27.01
(e) VAT		
Represents partial disallowance by West Bengal VAT Authorities for the year 2016-17. In matters of disallowance of subcontractor charges, labour charges, PF contribution, architectural charges, cost of consumables, cost of establishment, etc. for which appeal is pending before higher appellate authority. The entity is confident that the case will be successfully contested.	**0.46**	0.84
(f) Service tax		
Represents demand confirmed by the CESTAT / Asst. commissioner of service tax for a) disallowance of cenvat credit, since abatement claimed by the Company, b) disallowance of general exemption of private transport terminals and c) taxability under "Commercial or Industrial Construction Service", etc. The Company has appealed / in the process of appeal against the said order with commissioner of service tax Mumbai,CESTAT / High court and is confident that the cases will be successfully contested. The Company has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	**134.15**	128.84
(g) GST		
Represents demand confirmed by GST Authorities for dispute in rate of tax for works contract. Afcons has charged 18% GST to Inland Waterways Authority on India (IWAI), however as per AAR ruling the rate has been decided at 12%. Afcons has issued credit notes to the effect of the differential 6%. The Company is confident that the cases will be successfully contested.	**6.15**	-
Note:- In respect of items mentioned under paragraphs (a), (b), (d), (e), (f) and (g) above, till the matters are finally decided, the financial effect cannot be ascertained and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities.		

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**94.01**	76.44
(iii) Income tax		
Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The Company has obtained stay order from tax department. Company is confident that the case will be successfully contested before concerned appellate authorities.	**26.24**	26.24

Notes:

* The Company has received a demand and a show cause notice amounting to ₹ 238 Crores and ₹ 244 Crores respectively with respect to liability on account of royalty payable on Murrum used in one of the projects. Subsequent to the show cause notice, the company has obtained a stay order on the same. Further, based on legal opinion, the Company expects that the claim is highly unlikely to materialise.

The Company has implemented the decision given in the Supreme Court Judgement in case of “Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees’ Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 w.e.f. April 01, 2019. Basis the assessment of the management, which is supported by legal advice, the aforesaid matter is not likely to have significant impact in respect of earlier periods.

There are suits against Afcons and Ghana Railway Development Authority. However these have not been disclosed in the Financial Statement because Afcons is not directly liable for the Claims.

Note No 31. Employee benefit plans

a. Defined contribution plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

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

The total expense recognised in profit or loss of ₹ 48.01 Crores (for the year ended March 31, 2021: ₹ 42.49 Crores) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

b. Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 4 years and 240 days are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service without any ceiling limit as given under Payment of Gratuity Act, 1972.

Whereas on death of an employee the amount of gratuity payable is amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Company or as per payment of the Gratuity Act, whichever is higher.

The gratuity plan of the Company is unfunded and the Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using Projected Unit Credit Method.

Investment risk

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

Interest risk

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

Longevity risk

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Salary risk

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

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

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

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2022 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The Company has recognised following amounts in the statement of profit and loss: (₹ in Crores)

Particulars	31st March, 2022	31st March, 2021
Superannuation Fund	19.63	19.07
Provident Fund	28.38	23.42
Gratuity	5.77	6.08
Leave encashment expenses	18.89	2.73
Total	**72.67**	**51.30**

c. **Details of defined benefit plan - Gratuity**

The principle assumptions used for the purpose of actuarial valuation (considered for the Company)

Particulars	31st March, 2022	31st March, 2021
Expected Return on Plan Assets	7.23%	6.87%
Rate of Discounting	7.23%	6.87%
Rate of Salary Increase	8.00%	6.00%

Rate of Employee Turnover	31st March, 2022	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
	31st March, 2021	For service 4 years and below 6.00% p.a. For service 5 years and above 2.00% p.a.
Mortality Rate During Employment*	31st March, 2022	Indian Assured Lives Mortality 2012-14 (Urban)
	31st March, 2021	Indian Assured Lives Mortality 2006-08 (Ultimate)

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

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

(₹ in Crores)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(i)	**Components of defined benefit cost**		
	Service cost:		
	Current service cost	5.00	4.83
	Past service cost and (gain)/loss from settlements	-	-
	Interest cost on benefit obligation (Net)	0.77	1.25
	Return on plan assets (excluding amounts included in net interest expense)	-	-
	Total defined benefit costs recognised in profit or loss	**5.77**	**6.08**
	Actuarial losses arising from changes in demographic assumptions	(0.21)	(0.39)
	Actuarial losses arising from changes in financial assumptions	7.72	(0.04)
	Actuarial losses arising from experience adjustments	6.12	(0.89)
	Total defined benefit costs recognised in OCI	**13.63**	**(1.32)**
	Total defined benefit costs recognised in profit or loss and OCI	**19.40**	**4.76**
(ii)	**Net (liabilities) recognised in the Balance Sheet**		
	Present value of defined benefit obligation	63.69	47.63
	Fair value of plan asset	44.68	36.56
	Net liabilities recognised in the Balance Sheet	**(19.01)**	**(11.07)**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

(₹ in Crores)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(iii)	**Movements in the present value of the defined benefit obligation are as follows.**		
	Opening defined benefit obligation	47.63	44.34
	Current service cost	5.00	4.83
	Interest cost	3.27	3.04
	Remeasurement (gains)/losses:		
	Actuarial (gains) / losses arising from changes in financial assumptions	8.12	(0.04)
	Actuarial losses arising from experience adjustments	6.12	(0.89)
	Past service cost, including losses on curtailments	-	-
	Liabilities extinguished on settlements	-	-
	Benefits paid	(6.45)	(3.65)
	Closing defined benefit obligation	**63.69**	**47.63**
(iv)	**Movements in the fair value of plan assets are as follows.**		
	Opening fair value of plan assets	36.56	26.13
	Interest income	2.51	1.79
	Remeasurement gain / (loss)		
	Return on plan assets (excluding amounts included in net interest expense)	0.61	0.39
	Contributions from the employer	11.45	11.90
	Benefits paid	(6.45)	(3.65)
	Closing fair value of plan assets	**44.68**	**36.56**

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

(v) Sensitivity Analysis

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

1) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 4.88 Crores (increase by ₹ 5.68 Crores) (as at March 31, 2021: decrease by ₹ 4.00 Crores (increase by ₹ 4.70 Crores)).
2) If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 5.58 Crores (decrease by ₹ 4.89 Crores) (as at March 31, 2021: increase by ₹ 4.70 Crores (decrease by ₹ 4.06 Crores)).
3) If the employee turnover increases (decreases) by one year, the defined benefit obligation would decrease by ₹ 0.45 Crores (increase by ₹ 0.50 Crores) (as at March 31, 2021: increase by ₹ 0.23 Crores (decrease by ₹ 0.28 Crores)).

(vi) Sensitivity analysis method

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

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

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

The average duration of the benefit obligation at March 31, 2022 is 12 years (as at March 31, 2021: 15 years).

The Company expects to make a contribution of ₹ 12.00 Crores (as at March 31, 2021: ₹ 8.00 Crores) to the defined benefit plans during the next financial year.

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting

Particulars	(₹ in Crores)
1st Following Year	5.51
2nd Following Year	4.92
3rd Following Year	4.46
4th Following Year	6.06
5th Following Year	5.56
Sum of Years 6 To 10	27.31
Sum of Years 11 and above	85.32

d. Compensated Absences

The liability for Compensated absences (non-funded) as at year end is ₹ 42.52 Crores (as at March 31, 2021 ₹ 28.04 Crores) covers the Company's liability for sick and privilege leave and is presented as current liabilities, since the Company does not have an unconditional right to defer the settlement of any of these obligations.

The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the year using the Projected Unit Credit Method.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 32. Earnings per share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	₹	₹
Basic earnings per share	36.02	17.49
Diluted earnings per share	7.61	3.70

Basic earnings per share

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earnings per share	259.30	125.93
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	259.25	125.88
Profits used in the calculation of basic earnings per share	**259.25**	**125.88**

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

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238

Diluted earnings per share

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earnings per share	259.30	125.93
Earnings used in the calculation of diluted earnings per share	259.30	125.93
Profits used in the calculation of diluted earnings per share	**259.30**	**125.93**

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

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
- Convertible preference shares	26,87,68,030	26,87,68,030
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,268**	**34,07,38,268**

Note No 33. Corporate social responsibility:	(₹ in Crores)
Gross amount required to be spent by the Group during the year: (Previous year ₹ Nil)	Nil

Amount spent during the year on: (₹ in Crores)

CSR activities (in cash)	Paid	To be paid	Total
(i) Construction/acquisition of an asset	-	-	**-**
(ii) Purposes other than (i) above	0.71	-	**0.71**
Total	**0.71**	**-**	**0.71**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 34: Segment information :

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Segment Profit before tax (before exceptional items)		
India	335.62	66.13
Other Countries	98.64	353.82
	434.26	419.95
Add: Unallocated income	-	-
Less: Unallocated expenses	151.22	166.72
Profit before tax	**283.04**	**253.23**

(₹ in Crores)

Revenue from external customers	As at 31st March, 2022	As at 31st March, 2021
India	7,484.56	6,026.27
Other Countries	3,013.99	2,904.40
Total	**10,498.55**	**8,930.67**

(₹ in Crores)

Segment Assets	As at 31st March, 2022	As at 31st March, 2021
India	11,647.32	11,018.00
Other Countries	2,751.19	2,522.06
	14,398.51	**13,540.06**
Intersegment eliminations	(2,079.86)	(1,818.53)
Unallocated		
Investments	12.41	11.92
Non-current tax assets	68.72	110.64
Total assets as per balance sheet	**12,399.78**	**11,844.09**

(₹ in Crores)

Non-current assets	As at 31st March, 2022	As at 31st March, 2021
India	2,677.23	2,222.51
Other Countries	0.50	199.65
Total non-current assets	**2,677.73**	**2,422.16**

(₹ in Crores)

Segment Liabilities	As at 31st March, 2022	As at 31st March, 2021
India	6,463.74	6,286.57
Other Countries	2,903.99	2,830.74
	9,367.73	**9,117.31**
Intersegment eliminations	(887.73)	(859.94)
Unallocated		
Current Borrowings	1,159.11	835.74
Non-current Borrowings	401.89	472.64
Deferred Tax Liability	104.61	211.93
Current Tax Liability	15.35	46.04
Total liabilities as per balance sheet	**10,160.96**	**9,823.72**

(₹ in Crores)

Non-current liabilities	As at 31st March, 2022	As at 31st March, 2021
India	1,461.62	1,384.46
Other Countries	1,052.99	935.04
Total non-current liabilities	**2,514.61**	**2,319.50**

Information about major customers:

During the current year ended March 31, 2022, revenue of ₹ 1,879.59 Crores arising from a customer in India (viz Nagpur Mumbai Super Communication Expressway Limited) contributes to more than 10% of the Company's revenue.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 35: Related party disclosures

(a) Details of related parties:

Related Party where Control exists

Holding Company

Shapoorji Pallonji & Company Private Limited

Subsidiaries of the Company

Hazarat & Company Private Limited
Afcons Corrosion Protection Private Limited
Afcons Hydrocarbons Engineering Pvt Ltd
Afcons Construction Mideast LLC
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL
Afcons Gulf International Project Services FZE
Afcons Mauritius Infrastructure Ltd.
Afcons Overseas Singapore Pte Ltd.
Afcons Infra Projects Kazakhstan LLP
Afcons Saudi Constructions LLC
Afcons Overseas Project Gabon SARL
Afcons Oil & Gas Services Pvt Ltd

Fellow Subsidiary(s)

Forvol International Services Limited
Forbes & Company Ltd.
Shapoorji & Pallonji Qatar, WLL
Forbes Facility Services Pvt. Ltd.
Shapoorji Pallonji Infrastructure Capital Co. Pvt. Ltd.
SP Oil and Gas Malaysia SDN BHD
Simar Port Private Limited
ESP Port Solutions Pvt. Ltd.
Sterling & Wilson Private Limited

Associate

Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd (w.e.f. 28.05.2021 upto 31.03.2022)

Joint Operations

Transtonnelstroy Afcons Joint Venture
Dahej Standby Jetty Project undertaking
Afcons Gunanusa Joint Venture
Afcons Pauling Joint Venture
Strabag AG Afcons Joint Venture
Ircon Afcons Joint Venture
Afcons Sener LNG Construction Projects Pvt. Ltd.
Afcons Sibmost Joint Venture
Afcons Vijeta PES Joint Venture
Afcons SMC Joint Venture
Afcons Vijeta Joint Venture
Afcons JAL Joint venture
Afcons KPTL Joint Venture
Afcons - SPCPL Joint Venture
Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. JV
Afcons Vijeta Joint Venture, Zimbabwe

Companies forming part of the composite scheme of arrangement (Refer Note 35 (c.))

Eureka Forbes Ltd.

Key Management Personnel

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

b). Details of transactions with related party for the period 01.04.2021 to 31.03.2022 (₹ in Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries/ Associate		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Total	
	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21
Managerial Remuneration paid												
a) Short Term Employee Benefit												
S.Paramasivan									3.86	2.45	**3.86**	2.45
K.Subramanian									4.35	2.83	**4.35**	2.83
Giridhar Rajagopalan									2.31	1.44	**2.31**	1.44
Akhil Kumar Gupta									2.22	1.37	**2.22**	1.37
b) Post Employment Benefits												
S.Paramasivan									0.66	0.59	**0.66**	0.59
K.Subramanian									0.76	0.64	**0.76**	0.64
Giridhar Rajagopalan									0.20	0.18	**0.20**	0.18
Akhil Kumar Gupta									0.13	0.10	**0.13**	0.10
c) Other Long Term Benefits												
S.Paramasivan									0.37	0.36	**0.37**	0.36
K.Subramanian									0.47	0.43	**0.47**	0.43
Giridhar Rajagopalan									0.18	0.13	**0.18**	0.13
Akhil Kumar Gupta									0.14	0.10	**0.14**	0.10
Sitting Fees paid												
S.P.Mistry									0.06	0.07	**0.06**	0.07
Dividend on Preference Shares												
Floreat Investments Private Limited					**0.01**	0.01					**0.01**	0.01
Shapoorji Pallonji & Co. Pvt. Ltd.	**0.01**	0.01									**0.01**	0.01
Interim Dividend on Equity Shares												
Shapoorji Pallonji & Co. Pvt. Ltd.	**17.19**	17.19									**17.19**	17.19
Floreat Investments Private Limited					**4.56**	4.56					**4.56**	4.56
K.Subramanian									**0.02**	0.02	**0.02**	0.02
S.Paramasivan									**0.01**	0.01	**0.01**	0.01
Giridhar Rajagopalan									**0.00**	0.00	**0.00**	0.00
Purchase of equity share												
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			**43.00**	-							**43.00**	0.00
Sale of equity share												
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			**43.00**	-							**43.00**	0.00
Interest Income												
Afcons Sener LNG Construction Projects Pvt. Ltd.							**0.33**	0.29			**0.33**	0.29
Afcons Construction Mideast, LLC			**0.82**	3.74							**0.82**	3.74
Income from Services charges												
Afcons Overseas Singapore Pte Ltd.			**2.83**	2.95							**2.83**	2.95
Afcons Construction Mideast, LLC			**0.35**	0.48							**0.35**	0.48
Strabag-AG Afcons Joint Venture							**3.79**	3.53			**3.79**	3.53
Afcons - SPCPL Joint Venture							**-**	0.16			**-**	0.16
Afcons Overseas Project Gabon SARL			**-**	0.12							**-**	0.12
Other Income												
Afcons Construction Mideast, LLC			**0.31**	0.21							**0.31**	0.21
Transtonnelstroy-Afcons Joint Venture							**0.02**	0.01			**0.02**	0.01
Afcons Overseas Singapore Pte Ltd.			**0.12**	1.16							**0.12**	1.16
Shapoorji Pallonji & Co. Pvt. Ltd.	**0.16**	-									**0.16**	-
Simar Port Private Ltd					**1.70**	-					**1.70**	-
ESP Port Solutions Pvt. Ltd.					**1.64**	-					**1.64**	-
Sterling & Wilson Private Limited					**0.01**	-					**0.01**	-
Forbes Facility Services Pvt Ltd					**-**	0.02					**-**	0.02
Subcontract Income												
Transtonnelstroy-Afcons Joint Venture							**0.07**	0.08			**0.07**	0.08
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd					**343.32**	376.94					**343.32**	376.94
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd					**79.74**	43.78					**79.74**	43.78
ESP Port Solutions Pvt. Ltd.					**5.19**	-					**5.19**	-
HPCL Shapoorji Energy Pvt. Ltd					**-**	202.30					**-**	202.30
Income from Equipment Hire												
Strabag-AG Afcons Joint Venture							**-**	0.05			**-**	0.05
Afcons Overseas Singapore Pte Ltd.			**17.58**	18.95							**17.58**	18.95
ESP Port Solutions Pvt. Ltd.					**6.38**	-					**6.38**	-
Dividend Received												
Afcons Overseas Singapore Pte Ltd.			**45.17**	73.66							**45.17**	73.66

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 35 : Related party disclosures (Contd) (₹ in Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries/ Associate		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Total	
	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21
Distribution of Profit / (Loss) from Joint Ventures												
Ircon-Afcons Joint Venture							-	7.48			-	7.48
Strabag-AG Afcons Joint Venture							17.40	-			17.40	-
Sale of Spares/Materials/Assets												
Transtonnelstroy-Afcons Joint Venture							0.00	-			0.00	-
Afcons Overseas Singapore Pte Ltd.			0.53	2.08							0.53	2.08
Advance Given												
Afcons Construction Mideast, LLC			8.91	7.75							8.91	7.75
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			0.34	0.20							0.34	0.20
Transtonnelstroy-Afcons Joint Venture							1.24	1.36			1.24	1.36
Ircon-Afcons Joint Venture							-	0.02			-	0.02
Afcons Corrosion Protection Pvt Ltd			0.00	-							0.00	-
Afcons Overseas Project Gabon SARL			4.71	2.53							4.71	2.53
Afcons Overseas Singapore Pte Ltd.			-	0.87							-	0.87
Hazarat & Company Private Limited			-	0.02							-	0.02
Afcons Saudi Constructions LLC			-	0.06							-	0.06
Afcons Sener LNG Construction Projects Pvt. Ltd.							0.80	0.79			0.80	0.79
Afcons - KPTL Joint Venture							15.68	70.00			15.68	70.00
Shapoorji Pallonji & Co. Pvt. Ltd.	-	95.76									-	95.76
Afcons Oil & Gas Services Pvt Ltd			0.00	0.01							0.00	0.01
Afcons Hydrocarbons Engineering Pvt Ltd			0.02	0.01							0.02	0.01
Advance Received back												
Afcons Construction Mideast, LLC			(59.24)	(2.89)							(59.24)	(2.89)
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			(6.40)	-							(6.40)	-
Transtonnelstroy-Afcons Joint Venture							(1.22)	(1.30)			(1.22)	(1.30)
Afcons Overseas Singapore Pte Ltd.			-	(1.80)							-	(1.80)
Afcons Corrosion Protection Pvt Ltd			(0.00)	-							(0.00)	-
Afcons Overseas Project Gabon SARL			(5.80)	-							(5.80)	-
Hazarat & Company Private Limited			-	(0.02)							-	(0.02)
Afcons Sener LNG Construction Projects Pvt. Ltd.							(0.48)	(0.48)			(0.48)	(0.48)
Afcons - KPTL Joint Venture							(13.00)	(48.94)			(13.00)	(48.94)
Service Charges paid												
Afcons Overseas Project Gabon SARL			-	0.01							-	0.01
Afcons Overseas Singapore Pte Ltd.			0.00	-							0.00	-
Simar Port Private Ltd					0.10	-					0.10	-
SP Oil and Gas Malaysia SDN BHD					-	0.32					-	0.32
Housekeeping services paid												
Forbes Facility Services Pvt Ltd					5.13	10.59					5.13	10.59
Rent Expense												
Hazarat & Company Private Limited			0.02	0.02							0.02	0.02
Legal & Professional Fees												
Shapoorji Pallonji & Co. Pvt. Ltd. (Strategic Support Services)	30.79	29.54									30.79	29.54
Shapoorji Pallonji & Co. Pvt. Ltd. (Consultancy Services)	0.10	0.08									0.10	0.08
Travelling Expenses												
Forvol International Service Ltd					5.20	1.45					5.20	1.45
Equipment Hire Charges Paid												
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			2.79	3.03							2.79	3.03
Purchase of Spares/Materials/Assets												
Afcons Overseas Project Gabon SARL			0.50	1.09							0.50	1.09
Afcons Overseas Singapore Pte Ltd.			-	1.08							-	1.08
Transtonnelstroy-Afcons Joint Venture							0.04	0.05			0.04	0.05
Afcons Construction Mideast, LLC			1.07	-							1.07	-
Afcons - KPTL Joint Venture							0.12	-			0.12	-
SBLC Given for / (Released)												
Afcons Overseas Singapore Pte Ltd.			(39.41)	(42.56)							(39.41)	(42.56)
Outstanding amount of SBLC given/ (taken)												
Afcons Overseas Singapore Pte Ltd.			15.16	51.07							15.16	51.07

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 35 : Related party disclosures (Contd)

(b). Details of transactions with related party for the period 01st April 2020 to 31st March 2022 (₹ in Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries/ Associate		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Total	
	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21
Outstanding Amount Loans & Advances Dr/ (Cr)												
Shapoorji Pallonji & Co. Pvt. Ltd.	**271.79**	271.79									**271.79**	271.79
Afcons Construction Mideast, LLC			**2.23**	51.96							**2.23**	51.96
Transtonnelstroy-Afcons Joint Venture							**5.88**	5.60			**5.88**	5.60
Afcons Corrosion Protection Pvt Ltd			**-**	0.00							**-**	0.00
Afcons Saudi Constructions LLC			**0.88**	0.85							**0.88**	0.85
Afcons Sener LNG Construction Projects Pvt. Ltd.							**2.80**	2.47			**2.80**	2.47
Afcons Overseas Project Gabon SARL			**(5.80)**	(4.71)							**(5.80)**	(4.71)
Afcons Overseas Singapore Pte Ltd.			**0.00**	-							**0.00**	-
Afcons - KPTL Joint Venture							**12.01**	9.33			**12.01**	9.33
Afcons Oil & Gas Services Pvt Ltd			**0.02**	0.01							**0.02**	0.01
Afcons Hydrocarbons Engineering Pvt Ltd			**0.03**	0.01							**0.03**	0.01
Outstanding Amount - Debtors												
Afcons Construction Mideast, LLC			**10.01**	45.15							**10.01**	45.15
Transtonnelstroy-Afcons Joint Venture							**3.98**	4.00			**3.98**	4.00
Shapoorji Pallonji & Co. Pvt. Ltd.	**0.26**	0.07									**0.26**	0.07
Afcons Overseas Singapore Pte Ltd.			**1.41**	-							**1.41**	-
Afcons Overseas Project Gabon SARL			**6.61**	6.67							**6.61**	6.67
Strabag-AG Afcons Joint Venture							**0.27**	0.98			**0.27**	0.98
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd					**71.10**	84.58					**71.10**	84.58
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd					**308.19**	214.63					**308.19**	214.63
HPCL Shapoorji Energy Pvt. Ltd					**-**	18.37					**-**	18.37
SP Oil and Gas Malaysia SDN BHD					**-**	0.04					**-**	0.04
ESP Port Solutions Pvt. Ltd.					**11.38**	-					**11.38**	-
Sterling & Wilson Private Limited					**0.01**	-					**0.01**	-
Forbes Facility Services Pvt Ltd					**0.03**	0.03					**0.03**	0.03
Outstanding Amount - Creditors												
Forvol International Service Ltd					**0.42**	0.36					**0.42**	0.36
Forbes Facility Services Pvt Ltd					**0.50**	6.07					**0.50**	6.07
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd					**69.12**	79.28					**69.12**	79.28
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd					**21.14**	77.79					**21.14**	77.79
HPCL Shapoorji Energy Pvt. Ltd					**-**	44.15					**-**	44.15
Shapoorji Pallonji Qatar WLL					**52.11**	50.33					**52.11**	50.33
Simar Port Private Ltd					**0.04**	-					**0.04**	-
Shapoorji Pallonji & Co. Pvt. Ltd.	**26.38**	(8.37)									**26.38**	(8.37)
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			**(15.43)**	12.43							**(15.43)**	12.43
Afcons Construction Mideast, LLC			**1.11**	1.17							**1.11**	1.17
Afcons Overseas Project Gabon SARL			**14.22**	13.81							**14.22**	13.81
Afcons Overseas Singapore Pte Ltd.			**1.23**	0.45							**1.23**	0.45
Transtonnelstroy-Afcons Joint Venture							**0.04**	0.05			**0.04**	0.05
Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. JV							**-**	0.01			**-**	0.01
Strabag-AG Afcons Joint Venture							**0.11**	0.64			**0.11**	0.64

The Company has during the year made an investment of ₹ 43 crores by way of right issue of equity share of Shapoorji Pallonji Pandoh Takoli Highway Private Limited in May 2021. Also, the company has divested/sold investments of ₹ 43 crores of Shapoorji Pallonji Pandoh Takoli Highway Private Limited in March 2022.

As the liabilities for defined plans and leave entitlements are provided on acturial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

(c). Companies forming part of the composite scheme of arrangement

“Pursuant to the Composite Scheme of Arrangement (“Scheme”) approved by the National Company Law Tribunal, Mumbai (NCLT) vide order dated 25th January, 2022, two downstream subsidiaries of Eureka Forbes Limited (EFL) (a fellow subsidiary) got merged with EFL, followed by EFL (including certain downstream subsidiaries as defined in the Scheme) getting merged into Forbes & Company Limited (FCL) (another fellow subsidiary) and consequently upon the scheme becoming effective got demerged and vested into Forbes Enviro Solutions Limited (“FESL”) (another fellow subsidiary), on a going concern basis.

The Scheme was made effective by filing the requisite form with the Registrar of Companies, on 1st February, 2022. During the period ended January 31, 2022, the Company has entered transactions for Purchase of Spares/Materials/Assets with EFL aggregating ₹ 0.2 (PY ₹ 0.49) and outstanding trade payables as at March 31, 2022 aggregates ₹ 0.01 (PY ₹ 0.05)”.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 36. Afcons Gunanusa Joint Venture (AGJV)

(a) AGJV had submitted claims for Change orders aggregating to ₹ 77,469.54 lacs to ONGC. The JV has invoked arbitration in respect of the aforesaid change orders, as the same were not approved by Outside Expert Committee (OEC). Claims against change orders and counter claims by ONGC aggregating to ₹ 6,583.10 lacs is currently being discussed in arbitration.

Based on the assessment performed by the management of the Joint Venture, of the aforesaid customer claims and the claims filed by the Joint Venture against the customer, which is supported by a legal opinion, management is of the view that the amount due from customer under construction contract of ₹ 12,405.37 Lacs as on March 31, 2022 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management.

Furthermore, the application under section 17 of the Arbitration and Conciliation Act, 1996 filed on behalf of AGJV before the Arbitral Tribunal seeking directions to ONGC to limit the Bank Guarantees to maximum Liquidated Damages value plus 10% to be kept valid and alive till the final disposal of Arbitral Proceedings. It was directed by the Hon'ble Tribunal that instead of the enormous amount of Bank Guarantees already submitted by AGJV, AGJV has to only submit Bank Guarantees equivalent to 110% of the Liquidated Damages amount (as per the relevant Contract Clause) and keep those Bank Guarantees alive till the final disposal of Arbitral Proceedings.

As per the terms of the settlement agreement entered into between Afcons Gunanusa Joint Venture (AGJV), Afcons Infrastructure Limited (Afcons) and PT Gunanusa Utama Fabricators (PTG) on July 26, 2018 , it is further agreed that PTG's liability towards liquidated damages (LD) under the Subcontract shall be limited to USD 3.6 million equivalent ₹ 2,728.35 lacs only and the liability shall be imposed on PTG only if AGJV is confirmed to be liable for liquidated damages in the ONGC Arbitration, where PTG's share of liability for LD is 20%. Also, in the event AGJV is not successful in the ONGC Arbitration, Afcons agrees to absorb all the losses in the Project without claiming anything against PTG. If AGJV receives an award from the ONGC Arbitration for amount above USD 35 million equivalent ₹ 26,525.63 lacs, Afcons agrees to share 20% of the amount above USD 35 million equivalent ₹ 26,525.63 lacs to PTG.

(b) AGJV, a jointly controlled operation included in standalone financial statements of Afcons Infrastructure Limited has a total exposure of ₹ 127.19 Crs in a customer (ONGC) with respect to construction of ICP-R Offshore Process Platform project. AGJV has invoked an arbitration which is under discussion.

Afcons Infrastructure Limited has total exposure of ₹ 193.03 Crores (before elimination) which includes ₹ 181.27 Crores as Advance to AGJV and ₹ 11.76 Crores as Trade Receivables from AGJV as on March 31, 2022. The recovery of this amount is dependent upon finalization of the arbitration award. However, these outstanding are eliminated while preparing the Standalone financial statements of the company as per accounting policy 1.B.2. a).

Note 37. Transtonnelstroy Afcons Joint Venture (TAJV)

(a) TAJV ("the JV") had submitted variations to the client for two projects (package UAA-01 and package UAA-05) arising on account of cost overruns due to unforeseen geological conditions, delays in handing over of land, change in scope of work etc., which the Management believes is attributable to the Chennai Metro Rail Limited ("the client").

During the previous year, the client had invoked one performance bank guarantee issued by Joint Venture Partner, Afcons Infrastructure Limited, on behalf of the Joint Venture, which was challenged by Joint Venture in Hon'ble High Court, Madras. Based on order passed by Hon'ble High Court, Madras, both the parties (Client and TAJV) has now referred all disputes related to extension of time beyond the period already granted earlier in arbitration, associated cost to extended stay, release of withheld amount and encashment of bank guarantees in claim no. 8. and hearings is currently in process. Further, the client had also filed the special leave petition appeal in Hon'ble Supreme Court for invoking another performance bank guarantee. Hon'ble Supreme Court vide its order dated May 13, 2022, declined to interfere in the petition and requested arbitral tribunal to decide the arbitration proceedings pending before it as expeditiously as possible.

During current year, Arbitration Panel issued an unanimous award in favour of TAJV granting extension of time in claim no. 1 and 2 and the hearings for the related extension of cost in claim no. 3 and 3A is currently in process. The said award for extension of time, was challenged by the client and set aside by single bench of Hon'ble High Court, Madras. TAJV has filed an appeal and the same is admitted before Division bench of Hon'ble High Court, Madras and hearing is in process.

"Subsequent to the year end, TAJV has entered into an amicable settlement with the client on May 19, 2022 for both the projects, where client has agreed to pay TAJV amount of ₹ 8,870.00 lacs towards miscellaneous claims that were earlier before Dispute Adjudication Board. The said amount has been subsequently paid by client.

Further, there are counter claims submitted by the client which are mainly towards contingencies that they may have to incur in future, loss of revenue, liquidated damages etc. These claims and counter claims are under negotiation with the client / being heard in different arbitrations / in Hon'ble High Court proceedings for determination and recovery of the amounts.

Based on the assessment of the aforesaid matters related to claims and counter claims, carried out by Joint Venture's management after considering the current status of negotiation/amicable settlement with the client / in arbitration proceedings which is supported by legal opinion and technical evaluation, Management of TAJV is of the view that the claim submitted by TAJV is based on cost actually incurred but not duly compensated and the counter claims submitted by the client are based on contingencies that they may have to incur in maintaining the tunnel and stations in future and that the counter claims of client shall not be defendable in Arbitration Tribunal or Court of law. Management of TAJV is confident of getting favorable order/ award and is of that opinion that amount of ₹ 65,612.09 lacs recognized towards such variations/ claims in Note 7 'Amounts due from customers under construction contracts' as Non-current assets, is appropriate and the same is considered as good and fully recoverable. TAJV's management does not anticipate any further loss to be recognized at this stage.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

(b) TAJV, a jointly controlled operation included in standalone financial statements of Afcons Infrastructure Limited has a total exposure of ₹ 920.66 Crores (Previous Year ₹ 920.66 Crores) in Chennai Metro Rail Ltd. project (CMRL) which includes trade receivables of ₹ 175.83 Crores (Previous Year ₹ 175.83 Crores) and unbilled receivables of ₹ 744.83 (Previous Year ₹ 744.83 Crores).

TAJV has claimed variations amounting to ₹ 2,020 Crores on CMRL which are pending at different stages as follows:

a) Variations of ₹ 1,646 Crores on account of extended stay Cost.

b) Variations of ₹ 374 Crores on account of change in site condition/soil strata (unforeseeable Sub-surface condition).

c) All other matters have been amicably settled on 19th May 2022 for ₹ 88.70 Crores Payment against amicable settlement has been realized on 08th June 2022.

Afcons Infrastructure Limited has a total receivable of ₹ 986.26 Crores (before elimination) which consists of Advance of ₹ 588.11 Crores and Debtors of ₹ 398.15 Crores from TAJV as on March 31, 2022. AIL is not the party to the arbitration/claims and the recovery of this amount is dependent upon finalization of arbitration award and clearance /acceptance of claims by CMRL. However, these outstanding are eliminated while preparing the Standalone financial statements of the company as per accounting policy 1.B.2. a).

Note 38. Dahej Standby Jetty Project Undertaking (DJPU):

(a) Amount due from customer under construction contract amounting to INR 1,110.06 Lacs (Refer note no. 5 Other non-current assets) pertains to cost incurred towards the contract which is yet to be certified by customer. Management had submitted variations towards the same which were not approved by the customer. During the year 2018-19, management has invoked arbitration for settlement of their claims against the customer.

During the year ended on 31 March 2022, an unfavourable award was granted in Arbitration, towards claims of liquidated damages for delay in completion of works by DJPU for INR 4,481.73 Lacs and USD 1.91 Million (equivalent INR 1,400.96 Lacs) plus interest at 15.05% and 4.25% per annum on INR and USD portion respectively. Customer has subsequently encashed the bank guarantees given by a Joint Venturer, Afcons Infrastructure Limited of INR 7,927.95 Lacs (including interest of INR. 2,045.25 Lacs) and recovered the award amount. The amount of encashed Bank Guarantee has been recorded by DJPU as Other Receivables from customer (Refer note no. 5 Other non-current assets) and Payable to JV Partner (Refer note no. 8 Non-current Borrowings). Thereafter,DJPU has filed petition at Hon'ble High Court, Delhi for setting aside the unfavourable award and also submitted claims of INR 14,464.72 Lacs for additional cost incurred w.r.t extended stay and acceleration cost, considering that the delay is attributable to the customer. This petition is admitted by Hon'ble High Court, Delhi and hearings is currently in process.

Based on the assessment performed by the management of DJPU, of the aforesaid customer claims and the claims filed by the Joint Venture against the customer, which is supported by a legal opinion, management is of the view that recognition of the amount recoverable from the aforesaid customer of INR 7,927.95 Lacs and amount due from customer under construction contract of INR 1,110.06 Lacs as on March 31, 2022 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management.

However, considering the uncertainties involved in further legal proceedings, contingent liability of INR 9,038.01 Lacs is disclosed in the financial statements in note no. 17 Contingent liability.

(b) Afcons Infrastructure Limited has given advances aggregating to ₹ 89.79 Crores (before elimination) to the said jointly controlled operation as mentioned in note 6 'Loan and advances' which are receivable from DJPU, (a jointly controlled operation and included in the standalone financial statements of Afcons Infrastructure Limited). The recovery of this amount is dependent upon finalization of the proceedings. Adequate provision has been made in the current financial year. However, these outstandings are eliminated while preparing the Standalone financial statements of the company as per accounting policy 1.B.2. a).

Note 39.

(a) The Company has been legally advised that outstanding interest free advances aggregating to ₹ 931.28 Crores before elimination (As at 31st March, 2021 ₹ 893.59 Crores) made towards financing the unincorporated joint operations do not come under the purview of Section 186 of Companies Act, 2013 as the Company is in the business of constructing and developing infrastructure facilities.

(b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For investments made refer to Note no. 4.

Note 40.

The Company had entered into a contract with Jordan Phosphate Mines Construction (JPMC) on April 20, 2010 for the construction of "New Phosphate Rock Terminal at Aqaba - Jordan" with a contract value of ₹ 909.13 Crores (142.23 Million JOD).

The Company had submitted various claims on account of extra works, release of bank guarantee and delay in completion of the project. The Company filed the issues for arbitration with the International Chamber of commerce (ICC) on November 2016.

On October 30, 2019, the ICC rendered an unfavourable award of ₹ 178.26 Crores to the Company and a favourable award of ₹ 86.75 Crores on account of final bill and variation.

The Management had challenged the award in the Paris Court of Appeal. During the current financial year, the case was disposed in favour of JPMC by the Paris Court of Appeal. The Company reached a full and final settlement with JPMC of all matters outstanding and arising out of or in connection with the project. An amount of ₹ 38.36 Crores (Euro 4.496 million) was agreed and paid in December 2021 as final settlement and all the bank guarantees were released by JPMC. As on March 31 2022, there's no further exposure pertaining to JPMC.

Note 41.

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

Due to the above, the Company has raised two arbitration claims amounting to ₹ 1,723.24 Crores which are towards additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment, pend period cost etc. These variation costs have already been charged off to profit and loss account in past. In the previous year, the Company had received an unfavourable award for major portion of its claims. The awards are challenged before (Hon'ble Bombay High Court.

The total receivables amounting to ₹ 210.97 Crores as at March 31, 2022 (unbilled receivable of ₹ 204.75 Crores and retention of ₹ 6.22 Crores) includes ₹ 115 Crores on account of increase in steel quantity due to change in design.

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

Note 42.

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

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

Note 43.

The Company had executed project awarded by Uttar Pradesh Expressways Industrial Development Authority for Construction of Six-lane green field Kannauj to Unnao Expressway (package IV). During the execution of the project the client issued various change orders which required additional deployment of resources. The expressway was inaugurated and put to use in Dec 2016. The project was completed 13 months ahead of schedule.

Due to the various change orders, the Company has raised various claims amounting to ₹ 211 Crores (unbilled receivables disclosed under note no.8 "Contract assets) which are towards additional expenses on account of change of scope, additional works, royalty claim etc. The matter is referred to Arbitration. Considering the legal opinion obtained and facts of the matter, the Company is confident of winning the case and recovering the entire amount from Uttar Pradesh Expressways Industrial Development Authority.

Note 44.

(a) The Company has unbilled receivables towards various ongoing and completed projects disclosed under Note no. 8 'Contract assets'. This unbilled work also includes variations on account of cost overruns due to unforeseen geological conditions, delays in handling over land, change in scope of work, etc. which are under discussions at various levels including customer, in arbitration, Dispute Adjudication Board etc. Based on the discussions and merits of the claims, the management is confident about the recovery of these pending variations with respect to unbilled receivables disclosed under note no.8 "Contract assets".

(b) The Company has a total net receivable of ₹ 833.58 Crores (including interest on arbitration awards ₹ 240.38 Crores) which is a part of Trade Receivables shown under note 5 towards arbitration awards which are won by the Company in past, these arbitration awards have been further challenged by the customers before the session court or higher courts of law. Pending disposal of these matters in the courts, management has recognized the amount as per the arbitration award and part payment has been received by management under Niti Aayog Scheme upon submission of a bank guarantee by the Company. Management is confident about the recovery of the amounts involved in the pending matters at various levels.

Note 45.

The Joint control operation and subsidiaries have mentioned in their financial statement that as per the terms of agreement Afcons Infrastructure Limited is committed to provide additional funds as may be required to meet the working capital requirements of Jointly Controlled Operations. The aforementioned has been disclosed by a few subsidiaries as well.

Basis management's assessment, Afcons is committed to provide and can adequately source additional funds as may be required to meet the working capital requirements of these Jointly Controlled Operation/subsidiary.

Note 46.

As on 31st March 2022, an amount of ₹ 558.35 Crores (excluding Jointly Controlled Operations) is receivable towards GST Input Credit which includes unutilised credit of inputs and input service on account of inverted duty structure. The Company has a robust Order book position of more than ₹ 34,000 Crores across India and there are several projects which are under the pipeline. Further, the Company has initiated Arbitration towards variations and Time related claims with respect to various projects and management expects favorable awards in these claims/ arbitration. Considering the facts as mentioned above, there is no doubt about the utilization of the GST input credit balance against the future liabilities and the same is considered good.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 47.1

On accounts of second wave of Covid 19, most of the states have declared lock down but have allowed infrastructure activity to be continued.

The Management and the Board of Directors have evaluated the impact of the pandemic on its business operations. The Company currently has a strong order book, leading to a clear visibility of revenue over the next 18-24 months. Collection from customers have been normal during the lockdown period enabling the Company to meet all its liabilities (including employee payables) in a timely manner and without availing any moratorium as announced by the Reserve Bank of India. The Company has adequate unutilized fund-based credit facilities available, to take care of any urgent requirement of funds. The Company through the lockdown period and even subsequently has been able to maintain adequate control of its assets and there have been no significant changes to its control environment during the period.

Based on the above assessment, the Company strongly believes that there is no material impact of Covid 19 on these standalone financial statements. The Company has also made a detailed assessment of its liquidity position for the next 12 months from the balance sheet date. Further, there is no material impact foreseen on revenue and operating cash flow of the Company.

Accordingly, the pandemic is not likely to have a significant impact on the future operations, its profitability and recoverability of the carrying value of its assets, as at March 31, 2022 and on its control environment. The Company will continue to closely monitor material changes to future economic conditions, if any, as and when they arise.

Note 47.2

The auditors of Jointly Controlled Operations of Afcons Vijeta Joint Venture, Afcons SMC Joint Venture, Afcons Vijeta PES Joint Venture, Afcons JAL Joint Venture and the auditors of branches located in Tanzania* and Kuwait* have given an Emphasis of Matter paragraph in relation to impact of COVID- 19. All the Jointly Controlled Operations and branches are dependent on Afcons and the Company has done the detailed assessment of COVID 19 impact as on March 2022 and based on detailed assessment and liquidity position for the next 12 months there's no material impact forseen on account of COVID-19.

*Branches located outside India.

Note 47.3 COVID 19 related assessments performed by various entities (including branches and jointly controlled operations) within the Company.

Afcons Zambia Branch

"The directors are aware of the COVID-19 pandemic as well as the country's downgrade to sub-investment grade. The pandemic is considered to be a non-adjusting event and there is no immediate concern around going concern. Management is continually assessing and monitoring developments with regard to the disease and at the time of finalising the report, the directors are confident that company's responses are adequate and the crisis is being continuously monitored to assess the impact on the company. "

Afcons Sibmost Joint Venture, Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. Joint Venture, Afcons Vijeta Joint Venture, Zimbabwe.

The outbreak of the Coronavirus -The COVID-19 epidemic; significantly impacted businesses around the world.

The Supervisory Board of the JV is closely monitoring the impact the COVID-19 pandemic on all aspects of its operations including significant accounting judgements and estimates, inter-alia including its liquidity position, recoverability/carrying values of its trade receivables and contract assets as at balance sheet date. The Supervisory Board has evaluated and assessed this impact and future uncertainties resulting from Covid-19 based on internal and external sources of information including credit reports and related information and economic forecasts by various agencies and organisations, discussions and views from experts and industry participants, market estimates, etc. based on the information available till the date of approval of these financial statements.

The Supervisory Board, based on assumptions and current estimates expects that the carrying amount of its assets as reflected in the Balance Sheet as at March 31 , 2022 will be recovered. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly, the actual impact on the business operations, may be different from that estimated as at the date of approval of these financial statements. The Supervisory Board will continue to monitor developments to identify significant uncertainties and material changes in future periods that may have an impact on the operations of the JV.

Note 47.4 Going concern related assessments performed by various entities (including branches and jointly controlled operations) within the Company.

Afcons Sener LNG Constructions Projects Pvt. Ltd.

"Material uncertainty related to going concern:

The auditor of Jointly Controlled Operations of Afcons Sener LNG Constructions Projects Pvt. Ltd. have given an Emphasis of Matter paragraph in relation to going concern assumption used for preparation of financial statements. Basis the Company's assessment company can adequately source the funding required at the mentioned Jointly Controlled Operations.

Afcons Zambia Branch

"According to the contract signed between Afcons Infrastructure Limited and the Ministry of Local Government and Housing, the contract period ended on 30 September 2021. Furthermore, the contract stipulates a defects liability period ending 30 September 2022. The directors believe that the company has adequate financial resources to continue in operation up to 30 September 2022, the end of the defects liability period and accordingly the financial statements have been prepared on a going concern basis.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company and will remain in force for so long as it takes to restore the solvency of the company."

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 48.

Tropical Cyclonic Storm Tauktae which originated in the Arabian Sea hit the western coast of India in Mid-May, 2021 and impacted Afcons, which was carrying out revamping of offshore platforms for one of its customer with its consortium partner Halani-Tes-Nauvata. Cyclone Tauktae caused damaged to project material, loss of life and vessels involved in the revamp of the offshore platforms. Company has taken adequate insurance cover for damage of material and also insurance policies required to be maintained for its employees and sub-contractors employees. Besides the statutory compensation eligible to employees from insurance companies, Afcons has agreed to pay additional ex-gratia payment to all employees including sub-contracted employees, which is estimated to cost around ₹ 18 Crores For the chartered vessels the risk liabilities for damages lie with the vessel owner and no liabilities will involve on Afcons or its customer.

Note 49.

Subsequent to year end, Afcons Infrastructure Limited has entered into an agreement with one of the Shapoorji Pallonji Group company to subscribe to Compulsorily Convertible Debentures ("CCDs") aggregating to ₹ 200 Crores. Pursuant to right vested under the subscription agreement, Afcons has assigned all its rights and obligations with respect to the said subscription in the CCDs of ₹ 200 Crores to entities within the Shapoorji Pallonji Group.

Note 50: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(₹ in Crores)

Name of the Bank/ Financial Institution	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reasons for difference
State Bank of India (Consortium Bank)	1,402 – Fund Based Limit	Contract assets – Stock in Progress	Jun-21	2,959	2,768	191	Current portion as per the Management assessment has been considered in the quarterly statements.
			Sep-21	2,546	2,340	206	
			Dec-21	2,615	2,410	205	
			Mar-22	2,538	2,333	205	
		Trade Receivables	Jun-21	1,211	2,184	-973	Certain receivables have not been considered in quarterly statements.
			Sep-21	1,460	2,478	-1,018	
			Dec-21	860	2,129	-1,269	
			Mar-22	1,149	2,189	-1,040	
		Other Construction Material	Dec-21	407	299	108	Shuttering Material stock has been Included in quarterly statement .
			Mar-22	453	345	108	

(iii) Relationship with struck off companies

The Company has following transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2022 (₹ in Crores)	Balance as on 31st March, 2021 (₹ in Crores)	Relationship with the struck off company
Shaurya Protection And Detection Private Limited.	Payable	0.07	0.05	Not a Related Party
Bulsar Construction & Consulting (Opc) Private Limited.	Payable	0.02	0.08	Not a Related Party

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

The Company has following outstanding balances as on March 31 2022, with the companies struck off under Companies Act, 2013 or Companies Act, 1956. However, no transactions have been entered during the year.

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2022 (₹ in Crores)	Balance as on 31st March, 2021 (₹ in Crores)	Relationship with the struck off company
Chowdhary Motors Pvt. Ltd.	Payable	#	#	Not a Related Party
Convotech Projects Ltd.	Payable	#	0.02	Not a Related Party
Hal Water Vatika Pvt. Ltd.	Payable	0.01	0.01	Not a Related Party
Parmar Power System Pvt. Ltd.	Payable	0.01	0.01	Not a Related Party
Satya Parkash & Bros Pvt.Ltd	Payable	0.01	0.01	Not a Related Party
Rump Inspection & Engg	Payable	#	#	Not a Related Party
Tricolite Engg. Pvt. Ltd.	Payable	#	#	Not a Related Party
Mac International Infra Pvt Ltd.	Payable	0.01	0.01	Not a Related Party
Zoiros Infratech Pvt Ltd	Payable	0.02	0.02	Not a Related Party
I Dream Infratech Private Limited	Payable	0.02	0.02	Not a Related Party
Auskini Infraqp Pvt Ltd	Payable	0.01	0.01	Not a Related Party
Hbc Infratech Pvt. Ltd.	Payable	#	#	Not a Related Party
Kamlesh Projects Private Limited	Payable	0.06	0.06	Not a Related Party
Bikram Construction Private Limited	Payable	0.02	0.02	Not a Related Party
Viradhya Infratech Private Limited	Payable	0.02	0.02	Not a Related Party
Pankasooraj Foundations Private Ltd.	Payable	#	#	Not a Related Party
Engicon India Pvt Ltd	Payable	0.02	0.02	Not a Related Party
Sohum Habitat Pvt. Ltd.	Payable	#	#	Not a Related Party
Sunrise Systems Ltd	Payable	#	#	Not a Related Party
Precision Calibration And Services	Payable	#	#	Not a Related Party
Anp Geo Infra Pvt. Ltd.	Payable	0.01	0.01	Not a Related Party

Note:- Amount mentioned as “#” is below rounding off norms adopted by the company.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Utilisation of borrowed funds and share premium

A. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(xi) Registration of charges or satisfaction with Registrar of Companies -

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

51. Financial instruments

51.1 Capital management

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

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

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital and the risks associated with each class of capital. The gearing ratio at March 31, 2022 is 0.57 (net debt/equity).

51.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows. (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Debt (i)	1,561.00	1,590.68
Cash and bank balances	277.62	453.83
Net debt	1,283.38	1,136.85
Total Equity (ii)	2,238.82	2,020.37
Net debt to equity ratio	0.57	0.56

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts as described in notes 14 and 20 and includes interest accrued but not due on borrowings)

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

51.2 Categories of financial instruments

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

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Mandatorily measured:		
(i) Mutual fund investments	-	-
Measured at amortised cost		
(a) Trade receivables	2,867.82	2,839.46
(b) Cash and bank balances	206.50	363.61
(c) Bank balance other than (b) above	71.12	90.22
(d) Loans	23.91	70.50
(e) Other financial assets	400.33	386.93
Measured at FVTOCI		
(a) Investments in equity instruments	0.89	0.40
Total Financial Assets	**3,570.57**	**3,751.12**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,561.00	1,590.68
(b) Trade payables	3,044.90	3,230.36
(c) Other financial liabilities	677.57	576.97
Total Financial Liabilities	**5,283.47**	**5,398.01**

51.3 Financial risk management objectives

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

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

51.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

51.5 Foreign currency risk management

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions in various countries. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

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

Particulars	Liabilities		Assets	
	As at 31st March, 2022		As at 31st March, 2022	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
USD Currency	4.52	342.53	1.89	143.36
EURO Currency	0.11	9.86	0.43	36.18
QAR Currency	13.19	274.73	13.69	285.10
OMR Currency	0.00	0.04	-	-
MUR Currency	144.79	242.78	191.17	320.53
UAE Currency	0.07	1.52	5.72	117.94
JOD Currency	0.00	0.14	0.04	4.34
BHD Currency	0.01	2.62	0.00	0.01
KWD Currency	0.88	219.18	0.98	244.46
GBP Currency	0.00	0.03	0.01	0.63
JPY Currency	1.96	1.22	-	-
BDT Currency	495.36	443.15	442.88	396.20
SAR Currency	0.00	0.01	0.04	0.88
GHS Currency	27.32	283.66	14.53	150.84
SGD Currency	0.00	0.01	-	-
ZMW Currency	57.56	241.70	-	-
MZN Currency	101.47	121.68	223.56	268.10
MRU Currency	32.07	67.12	-	-
BTN Currency	30.33	30.33	-	-
TZS Currency	1,136.21	37.15	2,153.83	70.43
MVR Currency	141.83	707.17	37.74	188.19
XAF Currency	675.36	86.45	991.42	126.90
XOF Currency	-	-	0.70	0.09

Particulars	Liabilities		Assets	
	As at 31st March, 2021		As at 31st March, 2021	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
USD Currency	2.77	203.12	4.06	296.97
EURO Currency	2.32	198.97	0.22	19.15
QAR Currency	13.19	265.34	13.69	275.36
OMR Currency	0.00	0.17	-	-
MUR Currency	214.96	387.09	237.05	426.85
UAE Currency	0.16	3.19	5.04	100.53
JOD Currency	0.85	88.41	0.87	89.68
BHD Currency	0.01	2.53	0.00	0.01
KWD Currency	1.10	265.68	1.27	308.95
GBP Currency	0.00	0.23	-	-
JPY Currency	13.40	8.86	-	-
BDT Currency	432.63	373.75	332.48	287.23
SAR Currency	-	-	0.04	0.85
GHS Currency	47.17	601.66	19.59	249.90
SGD Currency	0.01	0.64	-	-
GNF Currency	25.12	0.19	-	-
ZMW Currency	113.62	377.00	-	-
MZN Currency	156.53	164.54	191.38	201.17
MRU Currency	161.34	329.61	96.50	197.13
BTN Currency	27.45	27.45	0.52	0.52
TZS Currency	691.16	21.84	117.63	3.72
XAF Currency	271.56	35.57	-	-

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

51.5.1 Foreign currency sensitivity analysis

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

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

(₹ in Crores)

Particulars	USD Currency Impact		Euro Currency Impact		KWD Currency Impact	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(9.96)	4.69	1.32	(8.99)	1.26	2.16
Decrease in exchange rate by 5%	9.96	(4.69)	(1.32)	8.99	(1.26)	(2.16)

Particulars	GHS currency impact		ZMW currency impact		MUR currency impact	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(6.64)	(17.59)	(12.08)	(18.85)	3.89	1.99
Decrease in exchange rate by 5%	6.64	17.59	12.08	18.85	(3.89)	(1.99)

Particulars	MZN currency impact		MRU currency impact		MVR currency impact	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Impact on profit or loss for the year						
Increase in exchange rate by 5%	7.32	1.83	(3.36)	(6.62)	(25.95)	-
Decrease in exchange rate by 5%	(7.32)	(1.83)	3.36	6.62	25.95	-

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

51.5.2 Derivative financial instruments

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

51.6 Interest rate risk management

The Company is exposed to interest rate risk because entities in the company borrow foreign currency and local currency funds at floating interest rates. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The Company's exposure to interest rate changes at the end of reporting period are as follows: (₹ in Crores)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Borrowing at Fixed Rate	1,006.15	1,006.01
Borrowing at Floating Rate	546.24	572.82
Total Borrowings	**1,552.39**	**1,578.83**

51.6.1 Interest rate sensitivity analysis

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's profit for the year ended March 31, 2022 would decrease/increase by ₹ 2.73 Crores (March 31, 2021: decrease/increase by ₹ 2.86 Crores). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

51.7 Other price risks

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

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

51.7.1 Equity price sensitivity analysis

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

If equity prices had been 5% higher/lower:

Other comprehensive income for the year ended March 31, 2022 would increase / decrease by ₹ 0.01 Crores (March 31, 2021 : increase / decrease by ₹ 0.01 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

51.8 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from investment in debt instruments, loans, trade receivables, other receivables, cash and bank balance and derivate financial instruments.

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

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

Trade receivables and loan receivable

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

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

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from group companies, they have been considered to enjoy the low credit risk as they meet the following criteria:

i) they have a low risk of default,

ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and

iii) the Company expect, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfill its obligations.

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

(C) For other trade receivables (including contract assets), the Company uses "General Model" for the measurement of expected credit loss (ECL) for trade receivables as well as contract asset

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

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

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

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

Refer note 5 and note 8 for reconciliation of expected credit loss balance on financial assets.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

51.9 Liquidity risk management

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

51.9.1 Liquidity risk table

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

(₹ in Crores)

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1 to 5 years	5+years	Total
31st March, 2022					
Borrowings	8.00%	1,196.10	451.11	-	**1,647.21**
Trade payables		2,605.17	439.73	-	**3,044.90**
Other financial liabilities		489.48	188.09	-	**677.57**
		4,290.75	**1,078.93**	**-**	**5,369.68**
31st March, 2021					
Borrowings	8.26%	1,171.09	533.90	17.07	**1,722.06**
Trade payables		2,778.10	452.26	-	**3,230.36**
Other financial liabilities		328.38	248.59	-	**576.97**
		4,277.57	**1,234.75**	**17.07**	**5,529.39**

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

51.10 Fair value measurements

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

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

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

(₹ in Crores)

Financial assets / financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2022	As at 31st March, 2021		
Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.89	0.40	Level 1	The investment in quoted instruments are measured at fair value based on quoted prices in active market.

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

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

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

a) **Financial Assets**

Cash and bank balances

Bank balance other than above

Trade receivables

Loans

Other financial assets

b) **Financial Liabilities**

Short term borrowings

Trade payables

Other financial liabilities

Lease Liabilities

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

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

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**546.24**	**546.24**	**747.82**	**750.74**
- Borrowings	546.24	546.24	747.82	750.74

Note No 52. Disclosure pursuant to Ind As 115, "Revenue from Contracts with Customers".

(i) Disaggregation of revenue from contracts with customers into geographical areas for the year ended March 31, 2022 recognised in the statement of profit & loss

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Segment revenue		
India	7,484.56	6,026.27
Outside India	3,013.99	2,904.40
Revenue from external customers	**10,498.55**	**8,930.67**
Timing of revenue recognition		
At a point in time	149.64	126.07
Over time	10,348.91	8,804.60
	10,498.55	**8,930.67**

(ii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting period is ₹ 33,815.36 Crores (Previous year ₹ 28,276.92 Crores). Management expects that about 30% of the transaction price allocated to unsatisfied contracts as of 31st March, 2022 will be recognized as revenue during next reporting period depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

(iii) Reconciliation of contract price with revenue recognised during the year: (₹ in Crores)

Particulars	Amount
Revenue as per contract price	10,539.06
Adjustments for:	
Payments on behalf of customer	(40.51)
Revenue from Operations	**10,498.55**

(iv) Significant changes to Contract Asset and Contract Liability from April 1, 2021 to March 31, 2022 (₹ in Crores)

	Contract Assets	Contract Liabilities
April 1, 2021	3,825.91	4,011.44
Changes in Contract Asset/ Liabilities	(1.43)	464.16
March 31, 2022	3,824.48	4,475.60

* The contract assets and liabilities undergo a change periodically, due to changes in the contractual estimates for the projects on account of any change in scope of work, unprecedented delays, etc. During the year the company has additionally recognised a loss allowance for contract assets in accordance with Ind As 109.

(v) For movement in Expected Credit Loss of Trade Receivables and Contract Assets, refer Note 8.1 of the financial statement.

- For Trade Receivable refer Note 5 of the financial statement.
- For Contract liabilities of the Standalone refer Note 17 of the financial statement.

(vi) Contracts assets and liabilities balance (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contracts in progress at the end of the reporting period:		
Construction cost incurred plus recognised profits less recognised loss to date	41,475.13	31,314.00
Less : Progress billings	39,234.21	28,948.09
	2,240.92	**2,365.91**
Recognised and included in the financial statements as amounts due:		
- from customers under construction contracts	3,824.48	3,825.91
- to customers under construction contracts	(1,583.56)	(1,460.00)
	2,240.92	**2,365.91**

(vii) The Company recognised revenue amounting to ₹ 1,179.29 Crores in the current reporting year (Previous year ₹ 933.64 Crores) that was included in the contract liability as of April 01, 2021

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 53 - Disclosure pursuant to Ind As 116 "Leases".

The Company leases land and buildings. Rental contracts are typically made for fixed periods of 12 months to 6 years, but may have extension options as described in (v) below.

(i) Amounts recognised in the balance sheet

a. Right-to-use assets (₹ in Crores)

Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
Land	3.D	50.96	15.39
Building	3.D	14.60	10.83

b. Lease Liabilities (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current	33.83	14.53
Non-current	34.20	13.12

(ii) Amounts recognised in the statement of profit and loss (₹ in Crores)

Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
Expense relating to short-term leases** (included in other expenses)	29	404.01	364.46
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	29	0.88	0.16
Expense relating to variable lease payments not included in lease liabilities	29	-	-
Interest on lease liability	27	6.68	3.18
Depreciation during the year	28	38.70	30.73
Total		**450.27**	**398.53**

** Rent expense relating to short-term leases of identified assets and variable lease payments under Ind As 116 included in Note 24.1 and Note 29 as mentioned above stands to ₹ 404.01 Crores However, the total of rent and hire charges included in Note 24.1 and Note 29 stands at ₹ 568.42 Crores the differential of ₹ 164.41 Crores is on account of hire charges of the assets which are unidentified assets under Ind As 116.

(iii) Maturities of lease liabilities as at March 31, 2022 (₹ in Crores)

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	29.16	31.63	-	60.79
	29.16	**31.63**	**-**	**60.79**

(iv) Total cash outflow for leases for the year ended 31 March 2022 was ₹ 37.65 Crores

(v) Extension and termination options

Extension and termination options are included in a number of Land, Office Premises, Houses and Godowns leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operation. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(vi) Practical expedients applied :

In applying Ind As 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at 1st April, 2021 as short-term leases
- using hindsight in determining the lease term where the contract contains option to extend or terminate the lease
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.

(vii) The lessee's range of weighted average incremental borrowing rate applied to the lease liabilities as on April 1, 2021 for the entire group was 7.75% to 9.20%

(viii) Lessor accounting

The Company did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of Ind As 116.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 54: Financial ratios

Sr. No.	Ratio	Numerator	Denominator	Current period	Previous period	% Variance	Reason for variance
a)	Current Ratio	Current assets	Current liabilities	1.03	1.04	-1%	
b)	Debt-equity ratio	Total debt	Total equity	0.70	0.79	-11%	
c)	Debt service coverage ratio	Profit after tax + Depreciation and amortlsation expense + Finance cost	Debt service (Principal repayment of debt + Interest on debt)	0.73	0.55	33%	Increase in net profit
d)	Return on equity ratio	Net profit after tax reduced by preference dividend	Average shareholders equity	12.17%	6.40%	90%	Increase in net profit
e)	Inventory turnover ratio	Cost of construction materials consumed+Stores and Spares Consumed	Average inventory	3.77	3.33	13%	
f)	Trade receivables turnover ratio	Revenue from Operations	Average trade receivable	3.68	3.15	17%	
g)	Trade payables turnover ratio	Cost of construction materials consumed+Cost of Construction	Average trade payable	2.47	1.85	33%	Increase in cost of materials due to higher revenue
h)	Net capital turnover ratio	Revenue from Operations	Working capital (Current Assets - Current Liabilities)	58.78	32.92	79%	Increase in revenue
i)	Net profit ratio	Net profit	Revenue from Operations	2.47%	1.41%	75%	Increase in net profit
j)	Return on capital employed	Earnings before interest and tax	Capital employed (Total Assets - Current Liabilities)	0.13	0.14	-7%	
k)	Return on investment	Earnings before interest and tax	Average total assets	0.06	0.06	-2%	

Note 55.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 56.

The Jointly Controlled Operation of the Company Strabag AG Afcons JV had received a notice from the EPS Office Shimla claiming an alleged short deposit of EPF Contribution on both domestic and international workers. The JV has deducted PF on basic amount of wages whereas the contention of EPFO is to deduct PF on Gross Wages. This matter is still under consideration of the department. However, at this stage the probable liability is not quantifiable.

Some of the ex-labour and vendors have filed cases against Strabag AG Afcons JV at various forums which are pending for adjudication. JV is of the opinion that these cases shall not result in major financial impact.

Special Valuation Branch, Customs have recommended levy of custom duty on engineering for layout and CAD of the value of Euro 379,106 against the imports for Baystag. Strabag AG Afcons JV is yet to receive the demand notice however JV estimates that custom duty may be imposed to the value of approximate ₹ 90 lakh excluding interest and penalty.

Note 57.

As of 31st March, 2022 the Company has an outstanding receivables amounting to ₹ 97.10 Crores from SP Jammu Udhampur Highway Limited (SP Juhi) under the EPC contract for the Jammu Udhampur Road Project of NHAI. Subsequent to the year end, SP Jammu Udhampur Highway Limited (SP Juhi) has assigned the same to Shapoorji Pallonji Solar Holdings Pvt Ltd. (SP Solar) vide deed of assignment dated 20th July, 2022 between SP Juhi and SP Solar.

Note 58.

The financial statement was approved and adopted by the board of directors during the Board Meeting held on 29th July, 2022.

In terms of our report attached

For and on behalf of the Board of Directors

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

SARAH GEORGE
Partner
Membership No. 045255

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

SURESH K. JOSHI
Partner
Membership No. 030035

S.PARAMASIVAN
Managing Director
Din:00058445

GIRIDHAR R.
Dy. Managing Director
Din:02391515

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Afcons Infrastructure Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Afcons Infrastructure Limited (hereinafter referred to as the "Parent Company") which includes 19 branches at Mauritius, Liberia, Bangladesh, Ghana, Zambia, Bhutan, Jordan, Bahrain, Kuwait, Mozambique, Mauritania, Oman, Abu Dhabi, Qatar, Indonesia, Tanzania, Benin, Maldives and Gabon and 15 jointly controlled operations consolidated on a proportionate basis, associate and its 12 subsidiaries (Parent Company, branches, jointly controlled operations and its subsidiaries together referred to as "the Group"), (refer Note 2(a) and 2(b) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flow 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").
2. In our opinion and to the best of our information and according to the explanations given to and based on the consideration of reports of other auditors on audited financial statements and management certified unaudited financial statements/information of the branches, jointly controlled operations and subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to the following matters:
   a) Note no. 41 of the Consolidated financial statements, regarding delay in recovery of amount Rs. 204.75 Crores and Rs. 6.22 Crores from a customer which are disclosed under 'Contract Assets' and 'Trade Receivable' respectively, which are dependent upon the finalization of the arbitration award in favour of the Company.
   b) (i) Audit report on the financial statements of Afcons Gunanusa Joint Venture (a jointly controlled operation included in the standalone financial statement) issued by an independent firm of chartered accountants vide its report dated June 20, 2022 which includes an emphasis of matter reproduced by us as under:

      "We draw attention to Note 27 to the financial statements, which describes the uncertainties relating to the outcome of the arbitration proceedings in respect of claims recognised by the joint venture in the earlier years, on account of change orders.

      Based on the Management's estimates of the timing and amount of recoverability, which is supported by legal opinion and technical evaluation, the amounts recognised as amount due from customers under construction contract are considered as good and fully recoverable by the management. Our opinion is not modified in respect of this matter."

      Note 27 as described above is reproduced as note 36 a) to the Consolidated Financial Statements.

      (ii) Further, in respect of matter emphasized above 4 b) (i), we draw attention to Note no. 36 b) of the Consolidated financial statements, regarding delay in recovery of receivable of Rs. 11.76 Crores (before elimination) and advances of Rs. 181.27 Crores (before elimination) from the above mentioned Jointly controlled operation in respect of a project, which is dependent upon the finalisation of the arbitration award in favour of the jointly controlled operation.

      However, the aforesaid balances are not reflected in the financial statements as these are eliminated while preparing the Consolidated financial statements of the group as per accounting policy described in Note A. v) and 1.B.2. a) to the financial statements.
   c) (i) Audit report on the financial statements of Transtonnelstroy Afcons Joint Venture (a jointly controlled operation included in the standalone financial statements) issued by an independent firm of chartered accountants vide its report dated June 23, 2022 which includes an emphasis of matter reproduced by us as under:

      "We draw attention to Note 34 to the Financial Statements, which describes the uncertainties relating to the outcome of the negotiation/arbitration/ Dispute Adjudication Board proceedings in respect of variations recognised by the joint venture in current and earlier years, on account of cost overruns due to unforeseen geological conditions, delays in handing over of land, change in scope of work, etc

      Based on the Management's estimates of the timing and amount of recoverability, which is supported by technical evaluation, the amounts recognised as amount due from customers under construction contract as stated above are considered as good and fully recoverable by the management. Our opinion is not modified in respect of this matter."

      Note 34 as described above is reproduced as note 37 a) to the Consolidated Financial Statements.

(ii) Further, in respect of matter emphasized above 4 c) (i), we draw attention to note no. 37 b) of the Consolidated financial statements, regarding delay in recovery of Rs. 398.15 Crores (before elimination) and advances of Rs. 588.11 Crores (before elimination) from the above mentioned Jointly controlled operation in respect of the project, which is dependent upon the finalization of the arbitration award in favour of the jointly controlled operation.

However, the aforesaid balances are not reflected in the financial statements as these are eliminated while preparing the Consolidated financial statements of the group as per accounting policy described in Note A. v) and 1.B.2. a) to the financial statements

d) Audit report on the financial statements of Dahej Standby Jetty Project Undertaking Joint Venture(a jointly controlled operation included in the standalone financial statements) issued by an independent firm of chartered accountants vide its report dated June 17, 2022 which includes an emphasis of matter reproduced by us as under::

“We draw attention to Note 23 to the financial statements, which describes the uncertainties relating to the outcome of the Hon’ble High Court, Delhi, proceedings, where the Joint Venture has filed an appeal to set aside an unfavourable award granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture. Pursuant to the award, the customer encashed the bank guarantees and recovered the amount due to it.

Based on the assessment performed by the management of Joint Venture, of aforesaid customer claims and claims filed by the Joint Venture against the customer which is supported by a legal opinion, the management is of the view that recognition of the total amount recoverable from the customer aggregating to INR 9,038.01 lacs as at March 31, 2022, is considered appropriate and no provision is required to be made as on March 31, 2022.Our opinion is not modified in respect of this matter.”

Note 23 as described above is reproduced as note 38 a) to the Consolidated Financial Statements.

e) Audit report on the financial statements of Afcons Zambia branch issued by an independent firm of chartered accountants vide its report dated May 13, 2022 includes an emphasis of matter paragraph which is reproduced by us as under:

“We draw attention to note 21 in the financial statements which indicate the contract period for the Design and Construction of Lusaka City Decongestion Project between Afcons Infrastructure Limited and the Ministry of Local Government and Housing. According to the agreement, the contract ended on 30 September 2021. Furthermore, the contract stipulates a defects liability period ending 30 September 2022. Our opinion is not modified in respect of this matter.

Impact of Covid – 19 Pandemic

We draw attention to Note 22 of the financial statements which indicates the impact of Covid-19.

In January 2020, the World Health Organisation declared COVID -19 to constitute a ‘Public Health Emergency of International Concern.” Since then more cases have been diagnosed, also in other countries. On 11 March 2020, the World Health Organisation (WHO) announced that the coronavirus outbreak can be characterised as a pandemic and many governments have introduced various measures to combat the outbreak, including travel restrictions and quarantines. The pandemic has resulted in some businesses closing and others performing lower than the budget and lockdown of certain areas.

Given the uncertainty of the situation, the duration of any business disruption and related financial impact cannot be reasonably estimated at this time. Our opinion is not modified in respect of this matter.”

Note 21 and Note 22 as described above is reproduced as note 48.2 b) and 48.1 a) respectively to the Standalone Financial Statements.

f) Audit report on the financial statements of Afcons Sibmost Joint Venture, Afcons Infrastructure Limited and Vijeta Projects and Infrastructure Limited Joint Venture and Afcons Vijeta Joint Venture – Zimbawe issued by an independent firm of chartered accountants vide reports dated June 15, 2022 which includes an emphasis of matter reproduced by as under:

“We draw attention to Note 26 to the Ind AS Financial Statements as regards to the management evaluation of COVID — 19 impact on the business operations and future performance of the Joint Venture. Our opinion on the financial statements is not modified in respect of the above matter. Further, our attendance at the physical inventory verification done by the management was not possible and therefore, we have relied on the related alternative audit procedures to obtain comfort over the existence and condition of inventory at year end.”

Note 26 as described above is reproduced as note 48.1 b) to the Consolidated Financial Statements.

Other Information

5. The Parent Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board report but does not include the consolidated financial statements and our and other auditor’s report thereon. The Board report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

6. The Parent Company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions

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

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

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

9. 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.

10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 Parent company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to 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 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.

11. We communicate with those charged with governance of the Parent 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.

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

Other Matters

13. We did not audit

i) the financial statements/financial information of 15 jointly controlled operations and 6 subsidiaries whose financial statements/ financial information (before eliminating intercompany transactions) reflect total assets of Rs 3,130 Crores and net assets of Rs 385 Crores as at 31st March 2022, total revenue of Rs. 1,513 Crore, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 191 Crore and net cash flows amounting to Rs 17 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these jointly controlled operations and subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid jointly controlled operations and subsidiaries, is based solely on the reports of the other auditors. Also refer Note 47.2

and Note 48.2 a) in the Consolidated financial statements for matters relating to management assessment of Covid-19 impact on 4 jointly controlled operations & 2 subsidiaries and the going concern assumption on 1 jointly controlled operation respectively, which has been included as emphasis of matter paragraph in the respective component auditors' reports.

ii) We did not audit financial statements/ financial information of 11 branches and 1 subsidiary whose financial statements (before eliminating intercompany transactions) reflect total assets of 2,485 Crores and net assets of 1,903 crores as at March 31, 2021, total revenue of 2,752 Crores, total comprehensive income (comprising of net profit and other comprehensive income) of 151 Crores and net cash flows amounting to 2 Crores for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent company's management has converted the financial statements of such branches and a subsidiary located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent company's management. Our opinion insofar as it relates to the balances and affairs of such branches, subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent company and audited by us. Also refer Note 47.2 in the consolidated financial statements for matters relating to management assessment of Covid-19 impact on 2 branches, which has been included as emphasis of matter paragraph in the respective component auditors' reports.

14. We did not audit the financial information of 8 branches and 5 subsidiaries, whose financial information (before eliminating intercompany transactions) reflect total assets of Rs 461 Crores and net assets of Rs 22 Crores as at 31st March 2022, total revenue of Rs. 63 Crores, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs 34 Crores and net cash outflows amounting to Rs. 10 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of other comprehensive income of Rs. Nil for the year ended March 31, 2022 in respect of one associate only. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these branches and subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid branches and subsidiaries is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

15. Audit report on the financial statements of Afcons Infrastructure Limited- Gabonese Branch issued by an independent firm of chartered accountants vide its report dated June 14, 2022 which includes an other matter reproduced by us as under :

"The net result for the 6-month period ended as Of March 31, 2021 (N-l) is nil. Management has considered that this period was the preparation phasis of the project, and that at this Stage no margin and profit were to be recognized, therefore. Our opinion is not modified in respect of this matter."

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

16. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by 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 (including other comprehensive income), 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 and records maintained for the purpose of preparation of the consolidated financial statements.

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

(e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of a jointly controlled operation and its subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Parent company, jointly controlled operation, branches and subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.

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

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its branches, its jointly controlled operations and subsidiaries - Refer Note 29, 36, 37, 38, 41, 42, 43 and 44 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts as at March 31, 2022– Refer Note 18 to the consolidated financial statements in respect of such items as it relates to the Group. Further the Group, its branches, its jointly controlled operations and subsidiaries did not have any material foreseeable losses on derivative contracts as at March 31, 2022.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund during the year by the Parent Company, a jointly controlled operation and its 4 subsidiary companies which are companies incorporated in India during the year.

iv. (a) The respective managements of the Parent, one of its jointly controlled operation and its 4 subsidiaries ,which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such jointly controlled operation and subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Parent or such jointly controlled operation and such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or a jointly controlled operation and such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 51 (xi) to the Consolidated financial statements)

(b) The respective Managements of the Parent, one of its jointly controlled operation and its 4 subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditor of such jointly controlled operation and subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Parent or such jointly controlled operation and such subsidiaries from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or such jointly controlled operation and such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 51 (xi) to the consolidated financial statements)

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the respective auditor of such jointly controlled operation and such subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Parent Company, is in compliance with Section 123 of the Act. The jointly controlled operation and subsidiaries which are companies incorporated in India have not declared or paid any dividend during the year.

18. The Group and its jointly controlled operations and subsidiaries incorporated in India 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sarah George
Partner
Membership Number: 045255
UDIN: 22045255ANVYAM9687

Place: Mumbai
Date: July 29, 2022

For HDS & Associates LLP
Chartered Accountants
Firm Registration No: W100144

Suresh K. Joshi
Partner
Membership Number: 030035
UDIN: 22030035ANWWUX1479

Place: Mumbai
Date: July 29, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 17 (f) of the Independent Auditor's Report of even date to the members of Afcons Infrastructure Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Afcons Infrastructure Limited (hereinafter referred to as "Parent") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Parent which includes the internal financial controls over financial reporting of 1 jointly controlled operation and 4 subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Parent, its Jointly controlled operation, its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Parent's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Parents' internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

8. In our opinion, the Parent, its jointly controlled operation and its 4 subsidiaries , which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note issued by the ICAI

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to the 1 jointly controlled operation and 4 subsidiary companies, which are companies incorporated in India, is based on the corresponding report of the respective auditors of such jointly controlled operation and subsidiary companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sarah George
Partner
Membership Number: 045255
UDIN: 22045255ANVYAM9687

Place: Mumbai
Date: July 29, 2022

For HDS & Associates LLP
Chartered Accountants
Firm Registration No: W100144

Suresh K. Joshi
Partner
Membership Number: 030035
UDIN: 22030035ANWWUX1479

Place: Mumbai
Date: July 29, 2022

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Consolidated Balance Sheet as at 31st March, 2022 (₹ in Crores)

	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	2,251.39	1,975.80
	(b) Capital work-in-progress	3.B	17.53	145.52
	(c) Right-of-use assets	3.E	65.56	26.22
	(d) Goodwill	3.C	0.14	0.14
	(e) Intangible assets	3.D	0.66	0.46
	(f) Financial assets			
	(i) Investments	4	0.89	0.40
	(ii) Trade receivables	5	678.88	474.36
	(iii) Other financial assets	7	308.97	273.87
	(g) Contract assets	8	1,491.29	1,493.02
	(h) Non current tax assets (net)	11	68.73	110.65
	(i) Other non-current assets	8.2	196.64	181.11
	Total non-current assets		**5,080.68**	**4,681.55**
2	**Current assets**			
	(a) Inventories	9	1,270.24	938.39
	(b) Financial assets			
	(i) Trade receivables	5	2,303.87	2,575.04
	(ii) Cash and cash equivalents	10	447.08	612.52
	(iii) Bank balances other than (ii) above	10.1	79.34	98.42
	(iv) Loans	6	55.07	50.13
	(v) Other financial assets	7	92.37	114.20
	(c) Contract assets	8	2,471.53	2,455.38
	(d) Other current assets	8.2	1,173.57	964.32
	Total current assets		**7,893.07**	**7,808.40**
	Total assets (1+2)		**12,973.75**	**12,489.95**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12.A	71.97	71.97
	(b) Instruments entirely equity in nature	12.B	450.00	450.00
	(c) Other equity	13	2,190.09	1,868.04
	Equity attributable to shareholders of the Company		2,712.06	2,390.01
	Non controlling interest		(9.28)	(10.53)
	Total Equity		**2,702.78**	**2,379.48**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	401.89	472.64
	(ii) Lease Liabilities	54(i)b	34.20	13.12
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		29.05	4.57
	(b) Total outstanding due to creditors other than micro and small enterprises		410.68	447.69
	(iv) Other financial liabilities	16	188.09	248.59
	(b) Contract liabilities	17	1,766.30	1,576.73
	(c) Provisions	18	86.29	3.07
	(d) Deferred tax liabilities (net)	21(c)	129.75	211.90
	Total non-current liabilities		**3,046.25**	**2,978.31**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	1,153.31	1,115.95
	(ii) Lease Liabilities	54(i)b	33.83	14.53
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		368.23	348.33
	(b) Total outstanding due to creditors other than micro and small enterprises		2,329.09	2,627.97
	(iv) Other financial liabilities	16	494.79	334.50
	(b) Contract liabilities	17	2,713.84	2,522.17
	(c) Provisions	18	68.54	69.06
	(d) Current tax liabilities (net)	19	15.39	46.10
	(e) Other current liabilities	17.1	47.70	53.55
	Total current liabilities		**7,224.72**	**7,132.16**
	Total liabilities (A+B)		**10,270.97**	**10,110.47**
	Total equity and liabilities (1+2)		**12,973.75**	**12,489.95**
	See accompanying notes 1 to 59 forming part of the financial statements			

In terms of our report attached | **For and on behalf of the Board of Directors**

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

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

S.PARAMASIVAN
Managing Director
Din:00058445

GIRIDHAR R.
Dy. Managing Director
Din:02391515

SARAH GEORGE
Partner
Membership No. 045255

SURESH K. JOSHI
Partner
Membership No. 030035

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Consolidated Statement of Profit and Loss for the year ended 31st March, 2022 (₹ in Crores)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Revenue from operations	22	11,018.96	9,375.57
2	Other income	23	250.58	145.56
3	**Total income (1 + 2)**		**11,269.54**	**9,521.13**
4	**Expenses**			
	(a) Cost of material consumed	24	3,176.31	2,544.56
	(b) Cost of construction	24.1	4,939.63	4,112.64
	(c) Employee benefits expense	25	1,084.98	924.16
	(d) Finance costs	26	424.73	467.57
	(e) Depreciation and amortisation expense	27	355.37	249.97
	(f) Other expenses	28	881.97	931.73
	Total expenses		**10,862.99**	**9,230.63**
5	**Profit before tax (3 - 4)**		**406.55**	**290.50**
6	**Tax expense:**	21		
	(a) Current tax		127.67	117.56
	(b) Deferred tax		(78.72)	3.05
	Total tax expense		**48.95**	**120.61**
7	**Profit for the year from continuing operations (5 - 6)**		**357.60**	**169.89**
8	Add: Share in profit / (loss) of associates		-	-
9	**Profit for the year (7 + 8)**		**357.60**	**169.89**
10	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investments measured at FVOCI (Net of tax)		0.49	0.26
	(b) Remeasurements of defined benefit plans (Net of tax)		(10.20)	0.86
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation (Net of tax)		0.65	3.84
			(9.06)	**4.96**
11	**Total comprehensive income for the year (9 + 10)**		**348.54**	**174.85**
	Profit for the year attributable to:			
	- Owners of the Company		356.35	166.97
	- Non-controlling interest		1.25	2.92
			357.60	**169.89**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		(9.06)	4.96
	- Non-controlling interest		-	-
			(9.06)	**4.96**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		347.29	171.93
	- Non-controlling interest		1.25	2.92
			348.54	**174.85**
12	**Earnings per share (Face value of ₹ 10 each):**			
	(a) Basic earnings per share (rupees)		49.68	23.60
	(b) Diluted earnings per share (rupees)		10.49	4.99
	See accompanying notes 1 to 59 forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

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

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
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Partner
Membership No. 045255

SURESH K. JOSHI
Partner
Membership No. 030035

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Consolidated statement of changes in equity for the year ended 31st March, 2022

a) Equity share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2020	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2021	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2022	**71.97**

b) Instruments entirely equity in nature
Preference share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2020	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2021	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2022	**450.00**

c) Other equity (₹ in Crores)

Particular	Reserve and surplus							Other comprehensive income		Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contingencies reserve	Debenture redemption reserve	General reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income	
Balance as at 1st April, 2020	0.84	0.13	10.28	8.00	52.50	65.75	1,543.79	20.73	19.33	**1,721.35**
Profit for the year	-	-	-	-	-	-	166.97	-	-	**166.97**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	0.86	3.84	0.26	**4.96**
Total comprehensive income for the year	0.84	0.13	10.28	8.00	52.50	65.75	1,711.62	24.57	19.59	**1,893.28**
Dividends including tax thereon	-	-	-	-	-	-	(25.24)	-	-	**(25.24)**
Transferred (from) / to debenture redemption reserve	-	-	-	-	(8.75)	-	8.75	-	-	**-**
Balance as at 31st March, 2021	**0.84**	**0.13**	**10.28**	**8.00**	**43.75**	**65.75**	**1,695.13**	**24.57**	**19.59**	**1,868.04**
Balance as at 1st April, 2021	0.84	0.13	10.28	8.00	43.75	65.75	1,695.13	24.57	19.59	**1,868.04**
Profit for the year	-	-	-	-	-	-	356.35	-	-	**356.35**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	(10.20)	0.65	0.49	**(9.06)**
Total comprehensive income for the year	0.84	0.13	10.28	8.00	43.75	65.75	2,041.28	25.22	20.08	**2,215.33**
Dividends including tax thereon	-	-	-	-	-	-	(25.24)	-	-	**(25.24)**
Transferred (from) / to debenture redemption reserve	-	-	-	-	(43.75)	-	43.75	-	-	**-**
Balance as at 31st March, 2022	**0.84**	**0.13**	**10.28**	**8.00**	**-**	**65.75**	**2,059.79**	**25.22**	**20.08**	**2,190.09**

In terms of our report attached **For and on behalf of the Board of Directors**

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

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

S.PARAMASIVAN
Managing Director
Din:00058445

GIRIDHAR R.
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Din:02391515

SARAH GEORGE
Partner
Membership No. 045255

SURESH K. JOSHI
Partner
Membership No. 030035

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Consolidated Cash Flow Statement for the year ended 31st March, 2022 (₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash flow from operating activities		
Profit before tax	**406.55**	**290.50**
Adjustments for :		
Depreciation and amortisation expense	355.37	249.97
(Profit)/loss on property, plant and equipment sold/scrapped (net)	6.82	7.91
Interest income recognised in profit or loss	(63.79)	(102.03)
Insurance claim received	(29.64)	(8.45)
Finance costs	424.73	467.57
Bad debts/unbilled revenue and sundry debit balances written off	2.08	214.67
Provision for doubtful advances no longer required written back	(38.37)	-
Provision for expected credit loss	26.07	16.00
Creditors / excess provision written back	(33.50)	(14.90)
Provision for Doubtful Debtors / Advances	79.28	50.17
Provision for projected losses on contract (net)	(19.00)	23.20
Unrealised exchange (gain) / loss	(11.19)	(23.46)
Operating profit before working capital changes	**1,105.41**	**1,171.15**
(Increase) / decrease in trade receivables (including retention monies)	57.87	(88.98)
(Increase) / decrease in inventories	(331.85)	128.77
(Increase) / decrease in contract assets	(37.32)	909.30
(Increase) in financial assets	(6.94)	(142.98)
(Increase) in non financial assets	(181.44)	(324.84)
(Decrease) in trade payable	(257.64)	(335.02)
Increase / (decrease) in contract liabilities	401.93	(500.54)
Increase / (decrease) in financial liabilities	(26.04)	176.48
(Decrease) in non financial liabilities	(5.85)	(9.02)
Increase / (decrease) in provisions	8.79	(7.58)
Cash from operations	**726.92**	**976.74**
(Payment) of Income Tax (Net)	(116.47)	(47.86)
Net Cash flow (used in) operating activities	**610.45**	**928.88**
Cash flow from investing activities		
Payments for property, plant and equipment	(356.99)	(492.77)
Proceeds from sale of property, plant and equipment	5.13	4.52
Purchase of Investments	-	0.01
Investment in other bank balance (made) / redeemed	17.56	37.03
Interest received	54.04	165.25
Insurance claim received	29.64	8.45
Net Cash flow (used in) investing activities	**(250.62)**	**(277.51)**
Cash flow from financing activities		
Proceeds from long-term borrowings	204.43	175.00
Repayment of long-term borrowings	(275.18)	(96.03)
Proceeds / (Repayment) from short-term borrowings - net	41.69	(120.79)
Finance costs paid	(429.06)	(465.05)
Principal element of lease payments (net)	(37.65)	(31.54)
Dividend paid on equity shares (including tax thereon) (Interim)	(25.19)	(25.19)
Dividend paid on preference shares (including tax thereon)	(0.05)	(0.05)
Net Cash flow (used in) financing activities	**(521.01)**	**(563.65)**
Net increase in cash and cash equivalents	**(161.18)**	**87.72**
Cash and cash equivalents at the beginning of the year	612.52	522.54
Effects of exchange rate changes on cash and cash equivalents	(4.26)	2.26
Cash and cash equivalents at the end of the year	**447.08**	**612.52**

Non-cash financing and investing activities		
- Acquisition of right-of-use assets	**78.04**	**14.56**

Notes

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

Consolidated Cash Flow Statement for the year ended 31st March, 2022 (Continued)

Net debt reconciliation (₹ in Crores)

Particulars	31st March, 2022	31st March, 2021
Cash and Cash equivalent	447.08	612.52
Liquid investments	79.34	98.42
Finance lease obligations	(68.03)	(27.65)
Borrowings	(1,555.20)	(1,588.59)
Net Debt	**(1,096.81)**	**(905.30)**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid investment	Finance lease obligations	Borrowings	
Net Debt as on 1st April, 2020	**522.54**	**116.30**	**(45.70)**	**(1,627.89)**	**(1,034.75)**
Cash flows	87.72	(17.88)	-	41.82	**111.66**
Acquisitions - finance leases	-	-	21.16	-	**21.16**
Foreign exchange adjustments	2.26	-	0.07	-	**2.33**
Interest expense	-	-	(3.18)	(217.42)	**(220.60)**
Interest paid	-	-	-	214.90	**214.90**
Net debt as on 31st March, 2021	**612.52**	**98.42**	**(27.65)**	**(1,588.59)**	**(905.30)**
Cash flows	(161.18)	(19.08)	-	29.06	**(151.20)**
Acquisitions/disposals - finance leases	-	-	(33.68)	-	**(33.68)**
Foreign exchange adjustments	(4.26)	-	(0.02)	-	**(4.28)**
Interest expense	-	-	(6.68)	(199.48)	**(206.16)**
Interest paid	-	-	-	203.81	**203.81**
Net debt as on 31st March, 2022	**447.08**	**79.34**	**(68.03)**	**(1,555.20)**	**(1,096.81)**

In terms of our report attached

For and on behalf of the Board of Directors

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

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

S.PARAMASIVAN
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Partner
Membership No. 030035

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Note 1: General information

Afcons Infrastructure Limited (the "Company" or "Afcons") is a limited company incorporated in India. Its parent company is Shapoorji Pallonji Company Private Limited. The Company together with its Jointly controlled operations and subsidiaries (as detailed in note 2.a & 2.b) is herein after referred to as the 'Group'.

The address of its registered office is "Afcons House", 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Company and its subsidiaries and jointly controlled operations (the "Group") are infrastructure activities. Afcons has presence in almost the entire spectrum of infrastructure activities in India and overseas. The Group is engaged in marine works, highways, bridges, metro works, power houses, tunnels, oil and gas, LNG tanks and other general civil engineering projects both in India and overseas.

Amendments applicable from April 01, 2022

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 01, 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of consolidated financial statements. These amendments are effective from April 01, 2021.

Consequent to above, the Group has changed the classification/ presentation of (i) current maturities of long-term borrowings (ii) trade payables

- The current maturities of long-term borrowings (including interest accrued) has now been included in the "Borrowings (current)" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

The Group has reclassified following comparative amounts to conform with current year presentation as per the requirements of Ind As 1:

- Current maturities of long-term borrowings amounting to ₹ 147.16 Crores (March 31 2021, ₹ 282.32 Crores) have been reclassified from Other financial liabilities (current) to Borrowings (current). This also includes Interest Accrued but not due on borrowings which was previously grouped under Other Financial Liabilities amounting to ₹ 2.81 Crores (March 31 2021, ₹ 7.14 Crores)
- Capital Creditors amounting to ₹ 195.20 Crores (March 31 2021 ₹ 69.37 Crores) have been reclassified from Trade Payables to Other Financial Liabilities.

A. Basis of preparation and presentation

i) Compliance with Ind As

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind As) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind As 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind As 2 or value in use in Ind As 36.

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

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

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

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

iii) New standards or interpretations adopted by the Group

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing April 1, 2021:

- Extension of COVID-19 related concessions – amendments to Ind As 116
- Interest rate benchmark reform – amendments to Ind As 109, Financial Instruments, Ind As 107, Financial Instruments: Disclosures, Ind As 104, Insurance Contracts and Ind As 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

iv) Operating cycle

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

- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

All other liabilities are classified as non-current.

v) Basis of consolidation

The consolidated financial statement incorporates the financial statement of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Group and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the net assets of the associate, since the acquisition date. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of investee is recognised as Goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognised in equity as Capital reserve, in the period in which the investment is acquired.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate. Any change in Other Comprehensive Income (OCI) is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of that changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains or losses, resulting from transactions between the Group and the associate, are eliminated to the extent of the interest in the associate.

When the Group's share of losses of an associate or equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profit equals the share of losses not recognised.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.B.14.3 below.

When necessary, adjustments are made to the financial statement of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

The group's share of the results, assets and liabilities of contracts carried out in conjunction with another party are included under each relevant heading in the consolidated financial statement.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

B. Significant accounting policies

B.1. Goodwill

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

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

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

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

B.2. a) Interests in Jointly Controlled Operations

Company enters into Joint Venture arrangement with other parties for execution of construction arrangements for which an unincorporated vehicle is formed having an independent legal status for the tax purpose i.e. Association of person/Body of individual etc. Such arrangement (also called as jointly controlled operations) is considered as extension of business, if in accordance with the terms of the arrangement, Company acts as a principal and remains solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, all the assets, liabilities, revenue and expenses pertaining to such unincorporated vehicle is consolidated in the separate financial statements of the Company.

Similarly, in case the Company is acting as an agent in such kind of arrangements, where the other party to the arrangement is solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, the Company recognises its share of profits/fees as determined in the arrangement in the separate financial statements of the Company.

B.2. b) Interest in unincorporated Joint ventures

When the Company enters into a joint venture (JV) arrangement with other parties and an incorporated vehicle is formed which has a separate status for tax purposes (i.e. Association of person/Body of individual etc.) and if as per the terms of agreement, the Company remains liable for all the liabilities of the unincorporated vehicle and is also responsible for funding or contributing assets to the unincorporated vehicle for construction activity, this unincorporated vehicle (also considered and called as Jointly controlled operation) has been considered as an extension of the Company from accounting point of view and assets, liabilities, revenue and expenses are consolidated on the basis of its share in the operations in the separate financial statement of the Company.

B.3. Revenue recognition

Sale of goods

Revenue from sale of goods is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control as per the incoterms. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Rendering of services:

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Construction contracts:

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

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

Due to the nature of the work required to be performed on the performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discounts, if any. The Group considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Group includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available. Various agreements are entered with customers wherein the Group pays a certain portion of the finance cost to the funding agencies of the project. In practice, these payments are considered as payment on behalf of the customer. These payments are not related to a distinct service or product by customer. An estimated amount to be paid over the lifecycle of the project is calculated and accordingly the same is accounted for as a reduction of contract revenue.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to the customers are generally due upon expiration of the contract period or any other conditions as mentioned in the contract.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Group's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage. The same is presented as contract liability in the statement of financial position.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Dividend and interest income

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

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

Other operating income

Income from export incentives is recognised on cash basis to the extent the ultimate realisation is reasonably certain.

B.4. Foreign currencies

(i) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statement is presented in Indian Rupee (INR), which is Group's functional and presentation currency. For each entity (subsidiaries and Jointly controlled operations), the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing these consolidated financial statements, the Group has applied following policies:

A) Foreign Branches of the Group: -

1. Income and expense items are translated at the exchange rates at the dates of the transactions and all resulting exchange differences are recognised in the Statement of Profit and Loss.
2. Non-monetary assets and liabilities are measured in terms of historical cost in foreign currencies and are not translated at the rates prevailing at the reporting period. Monetary assets and liabilities are translated at the rates prevailing at the end of each reporting period. Exchange differences on translations are recognised in the Consolidated Statement of Profit and Loss.

B) Joint Operations and subsidiaries outside India with functional currency other than presentation currency:

1. Assets and liabilities, both monetary and non-monetary are translated at the rates prevailing at the end of each reporting period.
2. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in Other Comprehensive Income and accumulated in equity (and attributed to non-controlling interests as appropriate).

(ii) Other Transactions and balances

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

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

In case of consideration paid or received in advance for foreign currency denominated contracts, the related expense or income is recognised using the rate on the date of transaction on initial recognition of a related asset or liability.

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

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

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

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

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

B.5. Borrowing costs

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

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

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

B.6. Employee benefits

B.6.1 Retirement benefit costs and termination benefits

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

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

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

Defined benefit costs are categorised as follows:

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

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

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

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

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

B.6.2 Short-term and other long-term employee benefits

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

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

B.7 Taxation

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

B.7.1 Current tax

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

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

B.7.2 Deferred tax

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

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

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

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

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

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

B.7.3 Current and deferred tax for the year

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

B.8 Property, plant and equipment

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

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

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipment - 5 years

Freehold land is not depreciated

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road making, Laboratory & Welding Equipment, Floating Equipment - 20 Years.

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

Cost of shuttering materials, issued to jobs, is charged off equally over a period of 4 years.

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

B.8.1 Capital work-in-progress

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

B.9 Intangible assets

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

Computer software - 5 years

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

B.10 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

B.11 Inventories

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

B.12 Provisions and contingent liabilities

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

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

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

B.13 Financial instruments

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

Initial Recognition

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

B.14 Financial assets

Classification and subsequent measurement of financial assets

B.14.1 Classification of financial assets

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

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

The classification is done depending upon the Group's business model for managing the financial assets and the contractual terms of the cash flows. Classification for investments made in debt instruments will depend on the business model in which the investment is held. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

B.14.2 Subsequent measurement

Debt instruments

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

Amortised cost

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

Fair value through other comprehensive income

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

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

Fair value through profit or loss

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

Equity instruments

Investments in equity instruments at FVTPL

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

Investments in equity instruments at FVTOCI

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

B.14.3 Impairment of financial assets

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

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

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

B.14.4 Effective interest method

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

B.14.5 De-recognition of financial assets

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

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

B.14.6 Foreign exchange gains and losses

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

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

B.15 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Treasury shares

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

B.15.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

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

B.15.2 De-recognition of financial liabilities

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

B.15.3 Foreign exchange gains and losses

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

B.16 Derivative financial instruments

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

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

B.17 Leases:

Till 31st March, 2019:

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

Operating lease (The Group as lessee): Lease payments under an operating lease are recognized as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

Operating lease (The Group as lessor): Rental income from operating lease is recognised on straight line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of leased asset and recognised on a straight-line basis over the lease term.

With effect from 1st April, 2019:

The Group as lessee:

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Contracts may contain both lease and non-lease components. The Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

1) **Lease Liabilities**

   Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate (since the interest rate implicit in the lease cannot be easily determined). Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

   Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

2) Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

3) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise assets having value less than ₹ 350,000.

The Group as lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

B.18 Earnings per share

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

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

B.19 Segment Reporting

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

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the Group, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 32 for segment information presented.

B.20 Credit Risk

The Group assess on a forward-looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Group considers historical credit loss experience and adjusted for forward-looking information. Note 52.8 details how the Group determines whether there has been a significant increase in credit risk.

B.21 Government grants, subsidies and export incentives

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

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

C. Critical estimates and judgements

a) Revenue recognition

The Group's revenue recognition policy, which is set out in Note B.3, is central to how the Group values the work it has carried out in each financial year.

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

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

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

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

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

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

b) Taxation

The Group is subject to tax in a number of jurisdictions and judgement is required in determining the worldwide provision for income taxes.

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

c) Contingencies

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

d) Useful lives of property, plant and equipment

As described at note B.8 above, the Group reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Impairment of trade receivables and contract assets

The Group has recognised trade receivables with a carrying value of ₹ 2,982.75 Crores (as at March 31, 2021: ₹ 3,049.40 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting period. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the Group. The same policies are followed for contract assets.

f) Retirement benefit obligations

Details of the Group's defined benefit pension schemes are set out in Note B.6.1, showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

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

g) Arbitration claims

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

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

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

i) Classification of Joint Arrangement as a Jointly Controlled Operation /Joint Venture

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

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

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

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

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

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

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

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 2(a): Details of subsidiaries at the end of the reporting period are as follows.

Name of subsidiary	Country of incorporation	Place of Activity	Principle Activity	Percentage holding-share
Hazarat and Company Private Limited.	India	India	Other	100%
Afcons Corrosion Protection Pvt. Ltd.	India	India	Cathodic Protection	100%
Afcons Hydrocarbons Engineering Private Limited	India	India	Other	100%
Afcons Oil & Gas Services Pvt.Ltd.	India	India	Infrastructure	74%
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL*	Kuwait	Kuwait	Infrastructure	49%
Afcons Construction Mideast LLC*	U.A.E	U.A.E	Infrastructure	49%
Afcons Gulf International Projects Services FZE #	U.A.E.	U.A.E.	Investment	100%
Afcons Mauritius Infrastructure Limited	Mauritius	Mauritius	Investment	100%
Afcons Overseas Singapore Pte Ltd.	Singapore	Guinea,Mauritinia, Ivory coast	Infrastructure	100%
Afcons Infra Projects Kazakhstan LLP %	Kazakhstan	Kazakhstan	Infrastructure	100%
Afcons Saudi Constructions LLC (in the process of winding-up)	Saudi Arabia	Saudi Arabia	Infrastructure	100%
Afcons Overseas Project Gabon SARL %	Gabon	Gabon	Infrastructure	100%

* Although, the parent Company has less than a majority of the voting rights of the investee, it has power over the investee as the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Subsidiary of Afcons Mauritius Infrastructure Limited.

% Subsidiary of Afcons Overseas Singapore Pte Ltd.

Note 2(b): Details of jointly controlled operations at the end of the reporting period are as follows.

Name of joint operations	Country of incorporation	Place of Activity	Principle Activity
Dahej Standby Jetty Project Undertaking	India	India	Infrastructure
Afcons Gunanusa Joint Venture	India	India	Infrastructure
Afcons Pauling Joint Venture	India	India	Infrastructure
Afcons Sibmost Joint Venture	India	India	Infrastructure
Afcons Vijeta PES Joint Venture	India	India	Infrastructure
Afcons SMC Joint Venture	India	Tanzania	Infrastructure
Afcons - Vijeta Joint Venture	India	India	Infrastructure
Afcons JAL Joint Venture	India	India	Infrastructure
Transtonnelstroy Afcons Joint Venture	India	India	Infrastructure
Afcons KPTL Joint Venture	India	Bangladesh	Infrastructure
Afcons Sener LNG Construction Projects Pvt.Ltd.	India	India	Infrastructure
Ircon Afcons Joint Venture	India	Bangladesh	Infrastructure
Strabag AG Afcons Joint Venture	India	India	Infrastructure
Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd Joint Venture	India	Tanzania	Infrastructure
Afcons - Vijeta Joint Venture	India	Zimbabwe	Infrastructure

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 3. Property, plant and equipments

A. Tangible assets

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	19.72	1.04	-	20.76	31.63
(c) Plant and equipment	2,457.60	439.33	(29.16)	2,867.77	1,118.73	188.41	(18.88)	1,288.26	1,579.51
(d) Furniture and fixtures	63.15	12.11	(2.42)	72.84	24.05	6.21	(1.20)	29.06	43.78
(e) Vehicles	47.36	7.27	(0.58)	54.05	24.25	4.83	(0.37)	28.71	25.34
(f) Office equipments	52.50	9.34	(2.04)	59.80	37.16	6.48	(1.92)	41.72	18.08
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	268.02	7.87	(8.92)	266.97	85.67	16.37	(8.80)	93.24	173.73
(i) Laboratory equipments	4.07	0.03	-	4.10	1.04	0.18	-	1.22	2.88
(j) Shuttering materials	315.46	94.39	-	409.85	226.26	74.87	-	301.13	108.72
(k) Accessories and attachments	111.05	33.84	-	144.89	63.39	18.25	-	81.64	63.25
Total	**3,578.86**	**604.18**	**(43.12)**	**4,139.92**	**1,603.06**	**316.64**	**(31.17)**	**1,888.53**	**2,251.39**

Previous year

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2020	Additions	Disposals	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Depreciation for the year	Disposals	Balance as at 31st March, 2021	Balance as at 31st March, 2021
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	18.61	1.11	-	19.72	32.67
(c) Plant and equipment	2,265.98	213.45	(21.83)	2,457.60	1,009.68	120.95	(11.90)	1,118.73	1,338.87
(d) Furniture and fixtures	57.15	10.20	(4.20)	63.15	21.28	5.52	(2.75)	24.05	39.10
(e) Vehicles	44.89	2.67	(0.20)	47.36	19.75	4.70	(0.20)	24.25	23.11
(f) Office equipments	59.88	4.86	(12.24)	52.50	41.96	6.42	(11.22)	37.16	15.34
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	257.76	11.33	(1.07)	268.02	71.26	15.45	(1.04)	85.67	182.35
(i) Laboratory equipments	3.98	0.09	-	4.07	0.86	0.18	-	1.04	3.03
(j) Shuttering materials	258.31	57.15	-	315.46	175.07	51.19	-	226.26	89.20
(k) Accessories and attachments	91.68	19.37	-	111.05	49.85	13.54	-	63.39	47.66
Total	**3,299.28**	**319.12**	**(39.54)**	**3,578.86**	**1,411.11**	**219.06**	**(27.11)**	**1,603.06**	**1,975.80**

Notes:

(1) Freehold land with a carrying amount of ₹ 204.47 Crores (as at 31st March 2021 ₹ 204.47 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Buildings carrying amount of ₹ 31.63 Crores (as at 31st March 2021 ₹ 32.67 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.

Movable Plant and machinery, construction equipments, machinery spares, tools and accessories with a carrying amount of ₹ 1,823.66 Crores (as at 31st March 2021 ₹ 1,560.51 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No. 14

B. CWIP under development:

CWIP under development - Ageing Schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	17.53	-	-	-	**17.53**
Projects temporarily suspended	-	-	-	-	**-**

Previous Year	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	145.52	-	-	-	**145.52**
Projects temporarily suspended	-	-	-	-	**-**

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 3. Property, Plant and Equipments (Continued)

C. Goodwill

(₹ in Crores)

Cost or deemed cost	Balance as at 31st March, 2022	Balance as at 31st March, 2021
Balance at beginning of the year	0.14	5.16
Effect of foreign currency exchange differences	-	(5.02)
Balance at end of the year	**0.14**	**0.14**

D. Intangible assets

(₹ in Crores)

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Amortisation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Computer software - acquired	12.97	0.23	-	**13.20**	12.51	0.03	-	**12.54**	**0.66**
Total	**12.97**	**0.23**	**-**	**13.20**	**12.51**	**0.03**	**-**	**12.54**	**0.66**

Previous Year

(₹ in Crores)

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2020	Additions	Disposals	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Amortisation for the year	Disposals	Balance as at 31st March, 2021	Balance as at 31st March, 2021
Computer software - acquired	12.97	-	-	12.97	12.33	0.18	-	12.51	0.46
Total	**12.97**	**-**	**-**	**12.97**	**12.33**	**0.18**	**-**	**12.51**	**0.46**

E. Right-of-use Asset

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Land	31.36	57.80	-	**89.16**	15.97	22.23	-	**38.20**	**50.96**
Buildings	54.84	20.24	-	**75.08**	44.01	16.47	-	**60.48**	**14.60**
Total	**86.20**	**78.04**	**-**	**164.24**	**59.98**	**38.70**	**-**	**98.68**	**65.56**

Previous Year

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2020	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2021	Balance as at 31st March, 2021
Land	20.08	11.28	-	**31.36**	7.47	8.50	-	**15.97**	**15.39**
Buildings	52.64	3.28	(1.08)	**54.84**	21.78	22.79	(0.56)	**44.01**	**10.83**
Total	**72.72**	**14.56**	**(1.08)**	**86.20**	**29.25**	**31.29**	**(0.56)**	**59.98**	**26.22**

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of Land or Building and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate);
- The Company also considers other factors including the costs and business disruption required to replace the eased asset;
- Most extension options in the leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No. 4. Non-current investments

	Particulars	Face Value	As at 31st March, 2022		As at 31st March, 2021	
			Quantity	Amount	Quantity	Amount
				(₹ in Crores)		(₹ in Crores)
A.	**Investment in equity instruments at fair value through other comprehensive income**					
	Quoted Investments (fully paid)					
	(a) Investment in equity instruments :					
	Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	0.88	40,072	0.39
	Hindustan Construction Co. Ltd.	₹ 1	2,000	#	2,000	#
	Simplex Infrastructures Ltd.	₹ 2	500	#	500	#
	ITD Cementation India Ltd.	₹ 1	1,000	0.01	1,000	0.01
	Gammon India Ltd.	₹ 2	250	#	250	#
	Total aggregate quoted investments			**0.89**		**0.40**
	Unquoted investments (fully paid)					
	(b) Investment in equity instruments :					
	Simar Port Ltd.	₹ 10	1,000	#	1,000	#
				#		#
	# Amount is below the rounding off norms adopted by the group.					
	Total investments carrying value			**0.89**		**0.40**
	Aggregate amount of quoted investments			0.30		0.30
	Aggregate market value of quoted investments			0.89		0.40
	Aggregate amount of unquoted investments			#		#

Category-wise other investments - as per Ind-AS 109 classification:	As at 31st March, 2022	As at 31st March, 2021
Financial assets carried at FVTOCI - equity instruments	0.89	0.40
Financial assets carried at amortised cost	-	-
	0.89	**0.40**

Note No 5. Trade receivables (₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
From Customers:				
a) Unsecured, Considered good (including retention monies)	1,897.19	757.46	2,233.49	550.21
b) Having Significant increase in credit risk	-	-	-	-
c) Credit Impaired	-	-	-	-
	1,897.19	757.46	2,233.49	550.21
Less: Allowance for bad and doubtful receivables (expected credit loss allowance)	-	81.74	-	79.01
	1,897.19	675.72	2,233.49	471.20
From Related parties	406.68	3.16	341.55	3.16
Total	**2,303.87**	**678.88**	**2,575.04**	**474.36**

Note No. 5.1.A. - Movement in allowance for bad and doubtful receivables (expected credit loss allowance) (₹ in Crores)

Particulars	Current	Non Current
Balance as at 31st March, 2020	-	28.84
Add: Created during the year	-	50.17
Less: Released during the year	-	-
Balance as at 31st March, 2021	**-**	**79.01**
Add: Created during the year	-	3.17
Less: Released during the year	-	0.44
Balance as at 31st March, 2022	-	**81.74**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No. 5.1.B. - Trade Receivables ageing schedule (₹ in Crores)

Particulars		Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed Trade Receivables							
(i)	Considered good (Current)	26.70	1,149.86	316.72	256.09	312.88	177.09	**2,239.34**
(ii)	Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii)	Considered good (Non-Current)	-	2.15	8.50	19.66	24.66	45.83	**100.80**
(iv)	Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	-	**-**
	Disputed Trade Receivables							
(i)	Considered good (Current)	-	0.03	22.90	40.83	0.01	0.76	**64.53**
(ii)	Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii)	Considered good (Non-Current)	-	-	105.41	-	0.16	472.51	**578.08**
(iv)	Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	81.74	**81.74**

Previous Year (₹ in Crores)

Particulars		Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed Trade Receivables							
(i)	Considered good (Current)	137.29	1,248.90	331.69	350.08	180.81	150.51	**2,399.28**
(ii)	Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii)	Considered good (Non-Current)	-	8.19	0.02	6.40	7.98	31.98	**54.57**
(iv)	Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	-	**-**
	Disputed Trade Receivables							
(i)	Considered good (Current)	-	175.76	-	-	-	-	**175.76**
(ii)	Which have significant increase in credit risk (Current)	-	-	-	-	-	-	**-**
(iii)	Considered good (Non-Current)	-	-	-	-	119.61	300.18	**419.79**
(iv)	Which have significant increase in credit risk (Non-Current)	-	-	-	-	0.44	78.57	**79.01**

Note No 6. Loans (₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Advances to related parties (unsecured, considered good)				
To Fellow subsidiaries	34.34	-	32.48	-
To Joint operations (net of Group share)	20.73	-	17.65	-
Total	**55.07**	**-**	**50.13**	**-**

These financial assets are carried at amortised cost

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Particulars	Amount Outstanding	Percentage to the total loans and advances in the nature of loans
Amounts repayable on demand		
- Promoters	-	0.00%
- Directors	-	0.00%
- Key managerial personnel	-	0.00%
- Other related party	55.07	100.00%

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 7. Other financial assets

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
(a) Interest on trade receivables as per arbitration awards	57.45	182.93	63.03	167.60
(b) Deposits (Unsecured, considered good)				
(i) Security deposits	5.95	27.19	10.60	20.18
(ii) Other deposits	0.94	1.72	0.94	1.48
	6.89	28.91	11.54	21.66
(c) Other Loans and advances (doubtful)	-	0.16	-	0.16
Less: Provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
(d) Bank deposits having maturity of more than 12 months (given towards margin money / under lien)	-	17.85	-	19.37
(e) Others	28.03	79.28	39.63	65.24
Total	**92.37**	**308.97**	**114.20**	**273.87**

Note No 8. Contract assets

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Contract assets				
Amounts due from customer under construction contracts				
Unsecured, considered good	2,471.53	1,539.19	2,455.38	1,518.02
Doubtful	-	-	-	-
	2,471.53	1,539.19	2,455.38	1,518.02
Less: Allowance for expected credit losses	-	47.90	-	25.00
Total	**2,471.53**	**1,491.29**	**2,455.38**	**1,493.02**

Note No. 8.1 - Movement in the expected credit loss allowance

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Opening balance for loss allowance	-	25.00	-	9.00
Add: Loss allowance assessed for the current year (net of reversal)	-	22.90	-	16.00
Less: Reversal of loss allowance on account of debts written-off	-	-	-	-
Closing balance for loss allowance	**-**	**47.90**	**-**	**25.00**

Note No 8.2 Other non-current & current assets

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
(a) Capital advances	-	21.60	-	15.20
(b) Pre-paid expenses	78.88	24.01	41.50	18.13
(c) Balances with government authorities				
(i) GST / VAT credit receivable	636.87	120.56	457.30	114.83
(ii) Service Tax credit receivable	-	30.47	-	30.23
(iii) Duty credit receivables	1.20	-	7.27	-
	638.07	151.03	464.57	145.06
(d) Others				
(i) Advance to vendors and others	423.53	-	422.38	2.72
(ii) Other receivables (Sale of scrap,etc.)	29.53	-	30.92	-
(iii) Advances to employees	3.56	-	4.95	-
	456.62	-	458.25	2.72
Total	**1,173.57**	**196.64**	**964.32**	**181.11**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 9. Inventories - at lower of cost or net realisable value (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Construction materials		
Steel	581.41	383.00
Cement	16.02	15.27
Aggregate	75.07	32.17
Other construction material	272.62	215.54
	945.12	645.98
Stores and spares	325.12	292.41
	325.12	292.41
Total	**1,270.24**	**938.39**

Note No 10. Cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks	444.00	609.54
Cash on hand	3.08	2.98
Total cash and cash equivalents	**447.08**	**612.52**

Note No 10.1. Bank balance other than cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Earmarked balance with banks		
- Unpaid dividend accounts	0.11	0.13
- Balances held as margin money or security against borrowings, guarantees and other commitments	62.02	84.03
- Other earmarked accounts / escrow accounts	3.81	3.90
Deposits having maturity of more than 3 months but less than 12 months	13.40	10.36
Total	**79.34**	**98.42**

Note No 11. Non current tax assets (Net) (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance income tax (net of provisions ₹ 128.94 Crores)	68.73	110.65
(As at 31st March, 2021 ₹ 169.75 Crores)		
Total	**68.73**	**110.65**

Note No 12 (A). Equity share capital

	Particulars	As at 31st March, 2022		As at 31st March, 2021	
		Number of shares	(₹ in Crores)	Number of shares	(₹ in Crores)
1.	**Authorized:**				
	Equity share capital of ₹ 10 each				
	Opening Balance	35,00,00,000	350.00	35,00,00,000	350.00
	Add: Increase during the year	-	-	-	-
	Closing Balance	**35,00,00,000**	**350.00**	**35,00,00,000**	**350.00**
2.	**Issued, subscribed and fully paid up:**				
	Equity shares of ₹ 10 each. (Refer note 12.1 below)				
	Opening Balance	7,19,70,238	71.97	7,19,70,238	71.97
	Add: Increase during the year	-	-	-	-
	Closing Balance	**7,19,70,238**	**71.97**	**7,19,70,238**	**71.97**

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

A member has a right to receive dividend as may be proposed by the board and approved at the annual general meeting. The Equity shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provision of the Act. Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

12.2. Details of equity shares held by each shareholder holding more than 5% of shares of the Company and Details of Shareholding of Promoters:

Class of shares / name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Promoters:				
Shapoorji Pallonji & Company Private Limited	4,91,05,652	68.23	4,91,05,652	68.23
Floreat Investments Limited	1,30,15,929	18.09	1,30,15,929	18.09
Non Promoters:				
Renaissance Commerce Private Limited	40,18,690	5.58	40,16,370	5.58
Hermes Commerce Limited	40,16,250	5.58	40,16,250	5.58

12.3. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Authorised		Issued, subscribed and fully paid up	
	Numbers (in Crores)	(₹ in Crores)	Numbers (in Crores)	(₹ in Crores)
Equity shares outstanding as at 31st March, 2020	**35.00**	**350.00**	**7.20**	**71.97**
Add: Shares issued during the year	-	-	-	-
Equity shares outstanding as at 31st March, 2021	**35.00**	**350.00**	**7.20**	**71.97**
Add: Shares issued during the year	-	-	-	-
Equity shares outstanding as at 31st March, 2022	**35.00**	**350.00**	**7.20**	**71.97**

Note No 12 (B). Instruments entirely equity in nature

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	(₹ in Crores)	Number of shares	(₹ in Crores)
1. **Authorized:**				
Preference shares of ₹ 10 each.	65,00,00,000	650.00	65,00,00,000	650.00
Total	**65,00,00,000**	**650.00**	**65,00,00,000**	**650.00**
2. **Issued, subscribed and fully paid up:**				
(a) 0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10 each. (Refer note 12.4 below)				
Opening Balance	10,00,00,000	100.00	10,00,00,000	100.00
Add: Increase during the year	-	-	-	-
Closing Balance	**10,00,00,000**	**100.00**	**10,00,00,000**	**100.00**
(b) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.5 below)				
Opening Balance	25,00,00,000	250.00	25,00,00,000	250.00
Add: Increase during the year	-	-	-	-
Closing Balance	**25,00,00,000**	**250.00**	**25,00,00,000**	**250.00**
(c) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.6 below)				
Opening Balance	10,00,00,000	100.00	10,00,00,000	100.00
Add: Increase during the year	-	-	-	-
Closing Balance	**10,00,00,000**	**100.00**	**10,00,00,000**	**100.00**

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

(a) The preference shares shall be non-cumulative and non profit participating convertible Preference Shares carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares.

(b) The terms of this Preference Shares have been varied with consent of the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018 whereby the preference shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25 per equity share (consisting of par of ₹ 10 and a premium of ₹ 58.25) immediately, automatically and without any further act of the parties in the event of conversion of the preference shares mentioned in note 12.5 (a) below.

(c) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

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

(a) The preference shares are automatically and mandatorily converted into equity shares on 13th January, 2024 ("mandatory conversion date") or any early date of conversion at the instruction of the Preference shareholder ("early conversion date"). It may be noted that the holder of the said preference shares has on 21st July 2022, requested the Company to vary the early conversion date to be effective from any time on or after 31st January, 2023. The Company would undertaking requisite corporate action to obtain shareholders' approval to the proposed variation of the early conversion date of the said preference share to be effective from any time on or after 31st January, 2023.

(b) On mandatory conversion date or the early conversion date, as the case maybe, the preference shares shall be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 17th July, 2020.

(c) The preference shares shall be entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).

(e) The preference shares shall not confer any further right to participate in the profits or assets of the Company except as mentioned above.

(f) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to these preference shares.

(g) The preference shares shall be transferable in accordance with the terms and conditions of the Articles and other provisions agreed between the Company and the preference shareholder.

(h) The equity shares of the Company issued upon conversion of the preference shares will rank pari passu with the other equity shares existing on the conversion date and shall be transferable in accordance with the terms and conditions of the Articles.

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

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 21st March, 2024 ("mandatory conversion date") i.e. on the expiry of ten year from the issue date. The mandatory conversion date of the 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares had been revised from 21st March, 2019 (5th year from the date of issue) to 21st March, 2024 (10th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) On mandatory conversion date, the preference shares shall be converted into such number of equity shares of the Company at the price of ₹ 132 per equity shares (consisting of par of ₹ 10 and a premium of ₹ 122).

(c) The preference shares shall be entitled to fixed non-cumulative dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it.

(e) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

12.7. Details of shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
0.01% Non cumulative and non profit participatory convertible preference shares				
Floreat Investments Limited	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Goswami Infratech Private Limited	25,00,00,000	100.00	25,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Shapoorji Pallonji & Company Private Limited	10,00,00,000	100.00	10,00,00,000	100.00

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 12.8. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares			Number of shares		
Shapoorji Pallonji & Company Private Limited, the holding company	4,91,05,652	-	10,00,00,000	4,91,05,652	-	10,00,00,000
Subsidiaries of the holding company:						
Floreat Investments Limited	1,30,15,929	10,00,00,000	-	1,30,15,929	10,00,00,000	-

Note No 12.9.

The word Company used in the Balance Sheet and Statement of Profit & Loss including the accompanying notes to accounts is defined as "Afcons Infrastructure Limited" including all of its branches and Jointly Controlled Operations.

Note No 13. Other equity (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital reserve	0.84	0.84
Capital redemption reserve	0.13	0.13
Securities premium account	10.28	10.28
Contingency reserve	8.00	8.00
Debenture redemption reserve	-	43.75
General reserve	65.75	65.75
Foreign exchange translation reserve through other comprehensive income	25.22	24.57
Retained earnings	2,059.79	1,695.13
Reserve for equity instruments through other comprehensive income	20.08	19.59
Total	**2,190.09**	**1,868.04**

Movement in other equity: (₹ in Crores)

	Particulars	As at 31st March, 2022	As at 31st March, 2021
(a)	Capital reserve		
	Opening balance	0.84	0.84
	Closing balance	0.84	0.84
(b)	Capital redemption reserve		
	Opening balance	0.13	0.13
	Closing balance	0.13	0.13
(c)	Securities premium account		
	Opening balance	10.28	10.28
	Closing balance	10.28	10.28
(d)	Contingencies reserve		
	Opening balance	8.00	8.00
	Closing balance	8.00	8.00
(e)	Debenture redemption reserve		
	Opening balance	43.75	52.50
	Add : Transferred to surplus in Statement of Profit and Loss	(43.75)	(8.75)
	Closing balance	-	43.75
(f)	General reserve		
	Opening balance	65.75	65.75
	Closing balance	65.75	65.75

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

	Particulars	As at 31st March, 2022	As at 31st March, 2021
(g)	Foreign currency translation reserve		
	Opening balance	24.57	20.73
	Add : Effect of foreign exchange rate variations during the year	0.65	3.84
	Closing balance	25.22	24.57
(h)	Retained earnings		
	Opening balance	1,695.13	1,543.79
	Add: Profit for the year	356.35	166.97
	Add: Other items classified to other comprehensive income	(10.20)	0.86
	Less: Appropriations		
	Interim dividend on equity shares (₹ 3.50 per share) (previous Year ₹ 3.50 per share)	25.19	25.19
	Dividend on preference shares (₹ 0.001 per share) (previous Year ₹ 0.001 per share)	0.05	0.05
	Transferred to / (from) Debenture redemption reserve	(43.75)	(8.75)
	Closing balance	2,059.79	1,695.13
(i)	Reserve for equity instruments through other comprehensive income		
	Opening balance	19.59	19.33
	Add: Net fair value gain on investments in equity instruments measured at FVTOCI	0.49	0.26
	Closing balance	20.08	19.59
	Total	**2,190.09**	**1,868.04**

Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies.

Capital redemption Reserve

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

Securities premium account

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

Contingency reserve

The contingency reserve was created to protect against loss for amounts due from a partnership firm.

Debenture redemption reserve

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

General reserve:

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

Foreign currency translation reserve:

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

Retained earning and dividend on equity shares:

This represent the surplus / (deficit) of the profit or loss. The amount that can be distributed by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013.

On 1st February, 2022, an interim dividend of ₹ 3.50 per share (total dividend ₹ 25.19 Crores) was paid to holders of fully paid equity shares.

Reserve for equity instrument measured through other comprehensive income

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 14. Non current borrowings

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
(a) Equipment loan (Secured) (Refer note 14.1.(i))		
From banks		
Rupee loan	378.29	472.64
(b) Other loans		
Foreign Currency Loan (Secured) (Refer note 14.1.(ii))		
Buyers Credit from Banks	23.60	-
Total	**401.89**	**472.64**

14.1 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2022		As at 31st March, 2021	
		Secured	Unsecured	Secured	Unsecured
14.1 (i) Equipment loan from banks					
Rupee loan:					
Axis Bank	Refer note 14.1(iii) below	40.00	-	80.00	-
HSBC Bank		31.25	-	43.75	-
State Bank of India		120.00	-	160.00	-
SBM Bank		27.78	-	38.89	-
Export Import Bank of India		159.26	-	150.00	-
Total - Equipment loan		**378.29**	**-**	**472.64**	**-**
(ii) Other Loans and Advances from banks- Buyer's Credit Foreign Currency Loans					
Axis Bank	Refer note 14.1(iv) below	23.60	-	-	-
Total long-term borrowings from banks		**401.89**	**-**	**472.64**	**-**

14.1 (iii). Secured by first pari passu charge on plant & machinery. The rupee loan of Axis Bank Limited carry interest @ 7.90% per annum, State Bank of India carry interest @ 7.70% per annum,HSBC Limited carry interest @ 8.25% per annum, SBM Bank carry interest @ 9.20% per annum and Export Import Bank of India carry interest @ 8.30% per annum. The repayment schedule of the loans are as follows:

As at 31st March, 2022 (₹ in Crores)

Nature	Bank name	Loan amount	Repayment schedule
Rupee Loan	Axis Bank	40.00	Each annual installment of ₹ 40 Crores upto 2023-24
	HSBC Bank	31.25	Semi annual installment of ₹ 6.25 Crores upto 2025-26
	State Bank of India	120.00	Semi annual installment of ₹ 20 Crores upto 2025-26
	SBM Bank	27.78	Semi annual installment of ₹ 5.56 Crores upto 2025-26
	Export Import Bank of India	159.26	Each monthly installment of ₹ 3.70 Crores upto 2026-27

14.1 (iv). Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest ranging of 0.95% to 1.00% per annum. The repayment schedule of the loans are as follows:

As at 31st March, 2022

Nature	Bank name	Loan amount	Repayment schedule
Buyers Credit	Axis Bank	23.60	Bullet Payment in 2023-24

Note No 15. Trade payables

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to micro and small enterprises	368.23	29.05	348.33	4.57
(b) Total outstanding due to creditors other than micro and small enterprises	2,329.09	410.68	2,627.97	447.69
Total	**2,697.32**	**439.73**	**2,976.30**	**452.26**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Trade payables ageing schedule (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	130.37	210.61	32.74	13.68	9.88	**397.28**
(ii) Others	1,233.90	1,220.90	116.04	71.91	89.52	**2,732.27**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	**-**
(ii) Others	-	0.51	0.45	0.66	5.88	**7.50**

Previous Year (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	138.65	171.99	20.92	14.29	7.05	**352.90**
(ii) Others	1,150.29	1,481.98	191.54	171.78	73.08	**3,068.67**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	**-**
(ii) Others	-	0.45	0.66	-	5.88	**6.99**

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

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) The principal amount remaining unpaid to supplier as at the end of accounting year.	366.17	324.76
(b) The interest due thereon remaining unpaid to supplier as at the end of accounting year.	12.88	13.76
(c) The amount of principal paid in terms of section 16, along with the amounts of the Payment made to the supplier beyond the appointed day during the year.	133.09	153.74
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	18.23	10.74
(e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	8.90	7.16
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises for the purpose of disallowance as a deductible expenditure.	31.11	24.50

Note No 16. Other financial liabilities (₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
(a) Capital creditors	195.20	-	69.37	-
(b) Employee benefit payables	96.27	-	61.88	-
(c) Unclaimed / unpaid dividends #	0.11	-	0.11	-
(d) Interest accrued on advance from customers	58.93	-	55.06	-
(e) Other payables				
(i) Trade / security deposits received	66.61	-	56.48	-
(ii) Amount received on invocation of bank guarantees	-	7.51	-	76.54
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others	77.67	180.57	91.60	172.04
Total - Other payables	144.28	188.09	148.08	248.59
Total	**494.79**	**188.09**	**334.50**	**248.59**

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 17. Contract liabilities

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Contract liabilities				
Amount due to customers	1,586.37	-	1,513.59	-
Advances from customers	1,127.47	1,766.30	1,008.58	1,576.73
Total	**2,713.84**	**1,766.30**	**2,522.17**	**1,576.73**

Note No 17.1 Other non-current and current liabilities

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Statutory remittances (VAT, GST, Service tax, Contributions to PF, Superannuation, ESIC, Withholding taxes, Labour welfare cess, etc.)	47.48	-	53.44	-
Other payables				
Advance against sale of scrap	0.22	-	0.11	-
Total	**47.70**	**-**	**53.55**	**-**

Note No 18. Provisions

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Provision for employee benefits:*				
Provision for leave encashment	42.52	-	28.04	-
Provision for gratuity	12.00	7.01	8.00	3.07
	54.52	7.01	36.04	3.07
Provision - Others:				
Provision for doubtful advance	-	79.28	-	-
Provision for foreseeable losses for onerous contracts (Refer note 18.1 below)	14.02	-	33.02	-
Total	**68.54**	**86.29**	**69.06**	**3.07**

* The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and gratuity.

Note No. 18.1 - Movement in the Provision for foreseeable losses for onerous contracts

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non Current	Current	Non Current
Opening Balance	33.02	-	9.82	-
Add: Additions made during the year	-	-	23.83	-
Less: Reversals made during the year	19.00	-	0.63	-
Closing Balance	**14.02**	**-**	**33.02**	**-**

Note No 19. Current tax liabilities (net)

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for tax (net of advance tax ₹ 224.49 Crores) (As at 31st March, 2021 ₹ 68.22 Crores)	15.39	46.10
Total	**15.39**	**46.10**

Note No 20. Current borrowings

(₹ in Crores)

	Particulars	As at 31st March, 2022	As at 31st March, 2021
(a)	**Current maturities of long-term debts** (Refer note 20.1 below)	147.16	282.32
(b)	**Working capital loans from banks**		
	Secured (Refer note 20.2 below)	845.92	805.53
(c)	**Short term Loans from Bank**		
	Foreign Currency Loan:		
	Buyers Credit (Secured) (Refer Note 20.2 below)	64.72	-
(d)	**Cash credit facility from banks**		
	Secured (Refer note 20.2 below)	57.07	25.30
(e)	**Book Overdraft** (Refer note 20.2 below)	-	1.57
(f)	**Acceptances**	38.44	1.23
	Total	**1,153.31**	**1,115.95**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 20.1:

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non Convertible Debentures (Unsecured)	-	175.00
Equipment loans from banks (Rupee Loan) (Secured) #	144.35	100.18
Interest accrued but not due on borrowings	2.81	7.14
Total	**147.16**	**282.32**

For nature of security and interest rate refer note no.14.1

Note 20.2:

Details of security for the secured short-term borrowings:

(₹ in Crores)

Particulars	Terms of security	As at 31st March, 2022	As at 31st March, 2021
Working capital demand loans (WCDL)			
From banks:			
State Bank of India	Refer note 20.3 below	340.00	300.00
Indian Bank		30.00	30.00
Export Import Bank of India		200.00	200.00
ICICI Bank		45.00	45.00
Union Bank of India		14.92	15.00
UCO Bank		30.00	30.00
Bank of India		30.00	29.79
Axis Bank		78.00	78.00
Punjab National Bank		72.00	71.74
IDBI Bank		6.00	6.00
		845.92	805.53
Short term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Axis Bank	Refer note 20.3 below	64.72	-
Cash credit facility and Book overdraft	Refer note 20.3 below	57.07	26.87

Note 20.3:

(i) Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / working capital demand loan is further secured by the Company's proportionate share of current assets in all the joint ventures both present and future.

(ii) Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 7.25% to 9.50% per annum (as on 31st March, 2021 interest ranging from 7.35% to 9.25% per annum). Buyers Credit from Axis bank carrying interest @ 0.95% to 1.00% per annum.

Note No 21. Current tax and deferred tax

(a) Income tax expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current tax:		
Current tax in respect of the current year	127.67	117.56
Adjustments in respect of previous years	-	-
Deferred tax:		
In respect of current year	(78.72)	3.05
Total income tax expense recognised in the consolidated statement of profit and loss account	**48.95**	**120.61**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Amount	Tax Rate	Amount	Tax Rate
Profit before tax	**406.55**		**290.50**	
Income tax using the Company's domestic tax rate	102.32	25.17%	101.51	34.94%
Effect of tax rates in foreign jurisdictions				
Non-taxable income	(32.85)	-8.08%	(23.10)	-7.95%
Loss in respect of which deferred tax assets not recognised due to uncertainty	6.26	1.54%	40.17	13.83%
Disallowable expenses	1.83	0.45%	9.01	3.10%
Effect of tax rates differences of entities operating in other jurisdictions having different tax rates	10.47	2.58%	9.70	3.34%
Charge/(credit) in respect of previous years	3.10	0.76%	0.23	0.08%
Deferred tax liability on undistributed earnings	25.17	6.19%	-	0.00%
Effect of change in tax rates	(59.39)	-14.61%	(17.27)	-5.94%
Others	(7.96)	-1.96%	0.36	0.12%
Income tax expenses recognised in Statement of Profit and Loss	**48.95**	**12.04%**	**120.61**	**41.52%**

Note:

(i) The tax rate used for the financial years 2021-22 and 2020-21 reconciliations above is the corporate tax rate of 25.17% and 34.94% respectively payable by the corporate entities in India on taxable profits under the Indian tax law.

(ii) The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act. 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has created provision for current year and remeasured its Deferred Tax Liability basis the rate prescribed in this section. The impact of this change as recognised in the Statement of Profit and Loss is ₹ 39.47 Crores (Previous year Nil) and in Other Comprehensive Income is ₹ 1.33 Crores (Previous year Nil).

(c) Movement of deferred tax (₹ in Crores)

Particulars	For the Year ended 31st March, 2022				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	87.54	(31.06)	-	-	56.48
Unremitted earnings of subsidiaries	-	25.17	-	-	25.17
Arbitration awards	186.50	(63.08)	-	-	123.42
	274.04	(68.97)	-	-	205.07
Tax effect of items constituting deferred tax assets					
Employee benefits	(13.67)	(1.41)	(3.43)	-	(18.51)
Adjustment on adoption of Ind As 116	(0.50)	(0.13)	-	-	(0.63)
Expected credit loss	(13.47)	(2.79)	-	-	(16.26)
Provisions	(34.47)	(5.42)	-	-	(39.89)
Minimum alternate tax credit	(0.03)	-	-	-	(0.03)
	(62.14)	(9.75)	(3.43)	-	(75.32)
Net tax liabilities	**211.90**	**(78.72)**	**(3.43)**	**-**	**129.75**

Particulars	For the Year ended 31st March, 2021				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	78.50	9.20	-	(0.16)	87.54
Unremitted earnings of subsidiaries	6.70	(6.70)	-	-	-
Arbitration awards	191.07	(4.57)	-	-	186.50
	276.27	(2.07)	-	(0.16)	274.04
Tax effect of items constituting deferred tax assets					
Employee benefits	(16.46)	2.33	0.46	-	(13.67)
Adjustment on adoption of Ind As 116	(0.78)	0.28	-	-	(0.50)
Expected credit loss	(7.88)	(5.59)	-	-	(13.47)
Provisions	(8.61)	(25.86)	-	-	(34.47)
Minimum alternate tax credit	(29.79)	33.96	-	(4.20)	(0.03)
	(63.52)	5.12	0.46	(4.20)	(62.14)
Net tax liabilities	**212.75**	**3.05**	**0.46**	**(4.36)**	**211.90**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 22. Revenue from operations

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Revenue from sale of goods (Construction Materials)	54.96	33.90
(b)	Construction contract revenue (Refer note 22.1 below)	10,888.50	9,271.32
(c)	Other operating income (Refer note 22.2 below)	75.50	70.35
	Total	**11,018.96**	**9,375.57**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
22.1	**Construction contract revenue comprises:**		
	Construction revenue	10,888.50	9,271.32
	Total - Sale of services	**10,888.50**	**9,271.32**
22.2	**Other operating income comprises:**		
	Sale of scrap	46.14	44.79
	Others	29.36	25.56
	Total - Other operating revenues	**75.50**	**70.35**

Note No 23. Other income

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	63.79	102.03
(b)	Other non operating income (Refer note 23.2 below)	186.79	43.53
	Total	**250.58**	**145.56**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
23.1	**Interest income comprises:**		
	Interest on arbitration awards	36.81	85.55
	Other Interest	26.98	16.48
	Total - Interest income	**63.79**	**102.03**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors no longer required written back	38.37	-
	Creditors / Excess provision written back	33.50	14.90
	Insurance claim received	29.64	8.45
	Provision for projected loss on contract written back	19.00	0.63
	Net gain on foreign currency transactions and translation	50.90	6.09
	Miscellaneous income	15.38	13.46
	Total - Other non-operating income	**186.79**	**43.53**

Note No 24. Cost of material consumed

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cost of construction materials consumed (Including bought out Items)	3,176.31	2,544.56

Note No 24.1. Cost of construction

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Stores and spare consumed	580.09	392.11
Subcontracting expenses	2,490.14	2,225.54
Equipments hire / rent charges	547.21	456.30
Site installation	136.08	86.07
Technical consultancy	209.07	167.93
Power and fuel consumed	529.90	381.58
Freight and handling charges	447.14	403.11
Total	**4,939.63**	**4,112.64**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 25. Employee benefits expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, wages and bonus	907.37	768.73
Contributions to provident and other funds:		
Contribution to provident fund	28.38	23.42
Gratuity expense	5.77	6.08
Leave encashment expense	18.89	2.73
Other Post employment benefits	27.45	22.05
Staff welfare expenses	97.12	101.15
Total	**1,084.98**	**924.16**

Note No 26. Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on:		
Bank overdrafts and loans	151.31	167.28
Advance from customers	100.51	136.31
Lease liabilities	6.68	3.18
Others	48.17	50.14
	306.67	356.91
Other borrowing costs:		
Bank guarantee commission including bank charges	113.63	100.74
Others	4.43	9.92
Total	**424.73**	**467.57**

Note No 27. Depreciation and amortisation expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on tangible assets	316.64	219.06
Amortisation on intangible assets	0.03	0.18
Depreciation on right-of-use assets	38.70	30.73
Depreciation and amortisation as per Statement of Profit and Loss	**355.37**	**249.97**

Note No 28. Other expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Water and electricity	11.31	11.19
Rent / Hire charges	42.37	37.47
Repairs and maintenance - Machinery	29.91	21.50
Repairs and maintenance - Others	19.11	16.70
Insurance charges	112.19	82.00
Rates and taxes	83.85	72.47
Communication	10.67	10.46
Travelling and conveyance	118.98	86.06
Security charges	63.49	47.73
Donations and contributions	0.40	9.47
Expenditure on corporate social responsibility (CSR)	0.71	1.35
Legal and professional	204.50	157.44
Payment to auditors	1.59	1.77
Advances written off	0.64	6.18
Bad / irrecoverable debtors / unbilled revenue written off	1.44	208.49
Provision for Doubtful Debtors / Advances	79.28	50.17
Expected credit loss on contract assets and trade receivables	26.07	16.00
Provision for foreseeable losses for onerous contracts	-	23.83
Loss on sale of fixed assets (net)	6.82	7.91
Miscellaneous expenses	68.64	63.54
Total	**881.97**	**931.73**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 28.1: Details of payment to auditors

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Auditors remuneration comprises		
(a) To auditors		
For statutory audit	1.01	1.09
For tax audit	0.02	0.13
For other services (taxation matters, GST, certification work)	0.54	0.53
Reimbursement of expenses	#	#
# Amount is below the rounding off norms adopted by the group.		
	1.57	**1.75**
(b) To cost auditors	0.02	0.02
	0.02	**0.02**
Total (a + b)	**1.59**	**1.77**

Note 29: Contingent liabilities and commitments (to the extent not provided for)

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Contingent liabilities		
(a) Claims against the Group not acknowledged as debts (excluding claims where amounts are not ascertainable)		
i) Differences with sub-contractors/vendors in regard to rates and quantity of materials.	**377.59**	88.17
ii) Royalty Claims*	**483.64**	483.64
(b) Labour guarantee issued on behalf of Subsidiary	**0.04**	0.04
(c) Claims against the joint operations not acknowledged as debts	**156.21**	65.67
(d) Sales tax and entry tax		
Represents demands raised by sales tax authorities in matters of a) disallowance of labour and service charges, consumables etc. b) Tax on AS7 turnover c) Entry tax and d) Interest and penalty etc. for which appeal is pending before various appellate authorities. The Group is confident that the cases will be successfully contested.	**21.00**	27.01
(e) VAT		
Represents partial disallowance by West Bengal VAT Authorities for the year 2016-17. In matters of disallowance of subcontractor charges, labour charges, PF contribution, architectural charges, cost of consumables, cost of establishment, etc. for which appeal is pending before higher appellate authority. The entity is confident that the case will be successfully contested.	**0.46**	0.84
(f) Service tax		
Represents demand confirmed by the CESTAT / Asst. commissioner of service tax for a) disallowance of cenvat credit, since abatement claimed by the Group, b) disallowance of general exemption of private transport terminals and c) taxability under "Commercial or Industrial Construction Service", etc. The Group has appealed / in the process of appeal against the said order with commissioner of service tax Mumbai,CESTAT / High court and is confident that the cases will be successfully contested. The Group has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	**134.15**	128.84
(g) GST		
Represents demand confirmed by GST Authorities for dispute of rate in tax for works contract. Afcons has charged 18% GST to Inland Waterways Authority on India(IWAI), however as per AAR ruling the rate has been decided at 12%. Afcons has issued credit notes to the effect of the differential 6%. The Group is confident that the cases will be successfully contested.	**6.15**	-
Note:- In respect of items mentioned under paragraphs (a), (c), (d), (e),(f) and (g) above, till the matters are finally decided, the financial effect cannot be ascertained and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities.		

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**94.01**	76.44
(iii) Income tax		
Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The Group has obtained stay order from tax department. The Group is confident that the case will be successfully contested before concerned appellate authorities.	**26.24**	26.24

Notes:

* The Group has received a demand and a show cause notice amounting to ₹ 238 Crores and ₹ 244 Crores respectively with respect to liability on account of royalty payable on Murrum used in one of the projects. Subsequent to the show cause notice, the Group has obtained a stay order on the same. Further, based on legal opinion, the Group expects that the claim is highly unlikely to materialise.

The Group has implemented the decision given in the Supreme Court Judgement in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 w.e.f. April 01, 2019. Basis the assessment of the management, which is supported by legal advice, the aforesaid matter is not likely to have significant impact in respect of earlier periods.

There are suits against Afcons and Ghana Railway Development Authority. However these have not been disclosed in the Financial Statement because Afcons is not directly liable for the Claims.

Note No 30. Employee benefit plans

a. Defined contribution plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

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

The total expense recognised in profit or loss of ₹ 48.01 Crores (for the year ended March 31, 2021: ₹ 42.49 Crores) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

b. Defined benefit plans

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 4 years and 240 days are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service without any ceiling limit as given under Payment of Gratuity Act, 1972.

Whereas on death of an employee the amount of gratuity payable is amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Group or as per payment of the Gratuity Act, whichever is higher.

The gratuity plan of the Group is unfunded and the Group accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using Projected Unit Credit Method.

Investment risk

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

Interest risk

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

Longevity risk

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

Salary risk

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

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

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2022 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The Group has recognised following amounts in the statement of profit and loss: (₹ in Crores)

Particulars	31st March, 2022	31st March, 2021
Superannuation Fund	19.63	19.07
Provident Fund	28.38	23.42
Gratuity	5.77	6.08
Leave encashment expenses	18.89	2.73
Total	**72.67**	**51.30**

c. **Details of defined benefit plan - Gratuity**

The principle assumptions used for the purpose of actuarial valuation (considered for the Group)

Particulars	31st March, 2022	31st March, 2021
Expected Return on Plan Assets	7.23%	6.87%
Rate of Discounting	7.23%	6.87%
Rate of Salary Increase	8.00%	6.00%

Rate of Employee Turnover	31st March, 2022	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
	31st March, 2021	For service 4 years and below 6.00% p.a. For service 5 years and above 2.00% p.a.
Mortality Rate During Employment*	31st March, 2022	Indian Assured Lives Mortality 2012-14 (Urban)
	31st March, 2021	Indian Assured Lives Mortality 2006-08 (Ultimate)

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

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

(₹ in Crores)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(i)	**Components of defined benefit cost**		
	Service cost:		
	Current service cost	5.00	4.83
	Past service cost and (gain)/loss from settlements	-	-
	Interest cost on benefit obligation (Net)	0.77	1.25
	Return on plan assets (excluding amounts included in net interest expense)	-	-
	Total defined benefit costs recognised in profit or loss	**5.77**	**6.08**
	Actuarial losses arising from changes in demographic assumptions	(0.21)	(0.39)
	Actuarial losses arising from changes in financial assumptions	7.72	(0.04)
	Actuarial losses arising from experience adjustments	6.12	(0.89)
	Total defined benefit costs recognised in OCI	**13.63**	**(1.32)**
	Total defined benefit costs recognised in profit or loss and OCI	**19.40**	**4.76**
(ii)	**Net (liabilities) recognised in the Balance Sheet**		
	Present value of defined benefit obligation	63.69	47.63
	Fair value of plan asset	44.68	36.56
	Net liabilities recognised in the Balance Sheet	**(19.01)**	**(11.07)**
(iii)	**Movements in the present value of the defined benefit obligation are as follows.**		
	Opening defined benefit obligation	47.63	44.34
	Current service cost	5.00	4.83
	Interest cost	3.27	3.04
	Remeasurement (gains)/losses:		
	Actuarial (gains) / losses arising from changes in financial assumptions	8.12	(0.04)
	Actuarial losses arising from experience adjustments	6.12	(0.89)
	Past service cost, including losses on curtailments	-	-
	Liabilities extinguished on settlements	-	-
	Benefits paid	(6.45)	(3.65)
	Closing defined benefit obligation	**63.69**	**47.63**

Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
(iv)	**Movements in the fair value of plan assets are as follows.**		
	Opening fair value of plan assets	36.56	26.13
	Interest income	2.51	1.79
	Remeasurement gain / (loss):		
	Return on plan assets (excluding amounts included in net interest expense)	0.61	0.39
	Contributions from the employer	11.45	11.90
	Benefits paid	(6.45)	(3.65)
	Closing fair value of plan assets	**44.68**	**36.56**

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

(v) Sensitivity Analysis

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

1) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 4.88 Crores (increase by ₹ 5.68 Crores) (as at March 31, 2021: decrease by ₹ 4.00 Crores (increase by ₹ 4.70 Crores)).

2) If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 5.58 Crores (decrease by ₹ 4.89 Crores) (as at March 31, 2021: increase by ₹ 4.70 Crores (decrease by ₹ 4.06 Crores)).

3) If the employee turnover increases (decreases) by one year, the defined benefit obligation would decrease by ₹ 0.45 Crores (increase by ₹ 0.50 Crores) (as at March 31, 2021: increase by ₹ 0.23 Crores (decrease by ₹ 0.28 Crores)).

(vi) Sensitivity analysis method

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

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

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

The average duration of the benefit obligation at March 31, 2022 is 12 years (as at March 31, 2021: 15 years).

The Group expects to make a contribution of ₹ 12.00 Crores (as at March 31, 2021: ₹ 8.00 Crores) to the defined benefit plans during the next financial year.

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting

Particulars	(₹ in Crores)
1st Following Year	5.51
2nd Following Year	4.92
3rd Following Year	4.46
4th Following Year	6.06
5th Following Year	5.56
Sum of Years 6 To 10	27.31
Sum of Years 11 and above	85.32

d. Compensated Absences

The liability for Compensated absences (non-funded) as at year end is ₹ 42.52 Crores (as at March 31, 2021 ₹ 28.04 Crores) covers the Group’s liability for sick and privilege leave and is presented as current liabilities, since the Group does not have an unconditional right to defer the settlement of any of these obligations.

The Group makes provision for compensated absences based on an actuarial valuation carried out at the end of the year using the Projected Unit Credit Method.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No 31. Earnings per share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	₹	₹
Basic earnings per share	49.68	23.60
Diluted earnings per share	10.49	4.99

Basic earnings per share

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for the year attributable to shareholders of the Group - earnings used in calculation of basic earning per share	357.60	169.89
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	357.55	169.84
Profits used in the calculation of basic earnings per share	**357.55**	**169.84**

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

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238

Diluted earnings per share

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for the year attributable to shareholders of the Group - earnings used in calculation of basic earning per share	357.60	169.89
Earnings used in the calculation of diluted earnings per share	357.60	169.89
Profits used in the calculation of diluted earnings per share	**357.60**	**169.89**

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

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
- Convertible preference shares	26,87,68,030	26,87,68,030
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,268**	**34,07,38,268**

Note 32: Segment information :

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Segment Profit before tax (before exceptional items)		
India	272.45	(31.40)
Other Countries	285.41	489.18
	557.86	457.78
Add: Unallocated income	-	-
Less: Unallocated expenses	151.31	167.28
Profit before tax	**406.55**	**290.50**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

(₹ in Crores)

Revenue from external customers	As at 31st March, 2022	As at 31st March, 2021
India	7,463.26	6,001.69
Other Countries	3,555.70	3,373.88
Total	**11,018.96**	**9,375.57**

(₹ in Crores)

Segment Assets	As at 31st March, 2022	As at 31st March, 2021
India	11,650.68	11,021.25
Other Countries	3,617.66	3,483.04
	15,268.34	**14,504.29**
Intersegment eliminations	(2,364.21)	(2,125.39)
Unallocated		
Investments	0.89	0.40
Non-current tax assets	68.73	110.65
Total assets as per balance sheet	**12,973.75**	**12,489.95**

(₹ in Crores)

Non-current assets	As at 31st March, 2022	As at 31st March, 2021
India	2,675.04	2,222.51
Other Countries	0.74	199.85
Total non-current assets	**2,675.78**	**2,422.36**

(₹ in Crores)

Segment Liabilities	As at 31st March, 2022	As at 31st March, 2021
India	6,463.85	6,286.71
Other Countries	3,049.50	3,207.49
	9,513.35	**9,494.20**
Intersegment eliminations	(942.72)	(948.00)
Unallocated		
Current Borrowings	1,153.31	833.63
Non-Current Borrowings	401.89	472.64
Deferred Tax Liability	129.75	211.90
Current Tax Liability	15.39	46.10
Total liabilities as per balance sheet	**10,270.97**	**10,110.47**

(₹ in Crores)

Non-current liabilities	As at 31st March, 2022	As at 31st March, 2021
India	1,461.62	1,384.46
Other Countries	1,052.99	935.04
Total non-current liabilities	**2,514.61**	**2,319.50**

Information about major customers:

During the current year ended March 31, 2022, revenue of ₹ 1,879.59 Crores arising from a customer in India (viz Nagpur Mumbai Super Communication Expressway Limited) contributes to more than 10% of the Group's revenue.

Note No 33. Corporate social responsibility:	(₹ in Crores)
Gross amount required to be spent by the Group during the year: (Previous year ₹ Nil)	Nil

Amount spent during the year on:

CSR activities (in cash)	Paid	To be paid	Total
(i) Construction/acquisition of an asset	-	-	**-**
(ii) Purposes other than (i) above	0.71	-	**0.71**
Total	**0.71**	**-**	**0.71**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 34: Related party disclosures

(a) Details of related parties:

Related Party where Control exists

Holding Company

Shapoorji Pallonji & Company Private Limited

Subsidiaries of the Company

Hazarat & Company Private Limited
Afcons Corrosion Protection Private Limited
Afcons Hydrocarbons Engineering Pvt Ltd
Afcons Construction Mideast LLC
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL
Afcons Gulf International Project Services FZE
Afcons Mauritius Infrastructure Ltd
Afcons Overseas Singapore Pte Ltd.
Afcons Infra Projects Kazakhstan LLP
Afcons Saudi Constructions LLC
Afcons Overseas Project Gabon SARL
Afcons Oil & Gas Services Pvt Ltd

Fellow Subsidiary(s)

Forvol International Services Limited
Forbes & Company Ltd.
Shapoorji & Pallonji Qatar, WLL
Forbes Facility Services Pvt.Ltd.
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd
SP Oil and Gas Malaysia SDN BHD
Simar Port Private Limited
ESP Port Solutions Pvt Ltd.
Sterling & Wilson Private Limited

Associate

Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd (w.e.f. 28.05.2021 upto 31.03.2022)

Joint Operations

Transtonnelstroy Afcons Joint Venture
Dahej Standby Jetty Project undertaking
Afcons Gunanusa Joint Venture
Afcons Pauling Joint Venture
Strabag AG Afcons Joint Venture
Ircon Afcons Joint Venture
Afcons Sener LNG Construction Projects Pvt.Ltd.
Afcons Sibmost Joint Venture
Afcons Vijeta PES Joint Venture
Afcons SMC Joint Venture
Afcons Vijeta Joint Venture
Afcons JAL Joint venture
Afcons KPTL Joint Venture
Afcons - SPCPL Joint Venture
Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. JV
Afcons Vijeta Joint Venture, Zimbabwe

Companies forming part of the composite scheme of arrangement (Refer Note 34 (c.))

Eureka Forbes Ltd.

Key Management Personnel

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No. 34: Related party disclosures (Continued) (₹ in Crores)

(b). Details of transactions with related party for the period 01.04.2021 to 31.03.2022

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)/ Associate		Jointly Controlled Operations		Key Management Personnel		Total	
	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21
Managerial Remuneration paid										
a) Short Term Employee Benefit										
S.Paramasivan							3.86	2.45	3.86	2.45
K.Subramanian							4.35	2.83	4.35	2.83
Giridhar Rajagopalan							2.31	1.44	2.31	1.44
Akhil Kumar Gupta							2.22	1.37	2.22	1.37
b) Post Employment Benefits										
S.Paramasivan							0.66	0.59	0.66	0.59
K.Subramanian							0.76	0.64	0.76	0.64
Giridhar Rajagopalan							0.20	0.18	0.20	0.18
Akhil Kumar Gupta							0.13	0.10	0.13	0.10
c) Other Long Term Benefits										
S.Paramasivan							0.37	0.36	0.37	0.36
K.Subramanian							0.47	0.43	0.47	0.43
Giridhar Rajagopalan							0.18	0.13	0.18	0.13
Akhil Kumar Gupta							0.14	0.10	0.14	0.10
Sitting Fees paid										
S.P.Mistry							0.06	0.07	0.06	0.07
Dividend on Preference Shares										
Floreat Investments Private Limited			0.01	0.01					0.01	0.01
Shapoorji Pallonji & Co. Pvt. Ltd.	0.01	0.01							0.01	0.01
Interim Dividend on Equity Shares										
Shapoorji Pallonji & Co. Pvt. Ltd.	17.19	17.19							17.19	17.19
Floreat Investments Private Limited			4.56	4.56					4.56	4.56
K.Subramanian							0.02	0.02	0.02	0.02
S.Paramasivan							0.01	0.01	0.01	0.01
Giridhar Rajagopalan							0.00	0.00	0.00	0.00
Purchase of equity share										
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			43.00	-					43.00	-
Sale of equity share										
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			43.00	-					43.00	-
Interest Income										
Afcons Sener LNG Construction Projects Pvt. Ltd.					0.33	0.29			0.33	0.29
S P Engineering Service Pte Ltd			0.69	0.65					0.69	0.65
Income from Services charges										
Strabag-AG Afcons Joint Venture					3.79	3.53			3.79	3.53
Afcons - SPCPL Joint Venture					-	0.16			-	0.16
Other Income										
Transtonnelstroy-Afcons Joint Venture					0.02	0.01			0.02	0.01
Shapoorji Pallonji & Co. Pvt. Ltd.	0.16	-							0.16	-
Simar Port Private Ltd			1.70	-					1.70	-
ESP Port Solutions Pvt Ltd.			1.64	-					1.64	-
Sterling & Wilson Private Limited			0.01	-					0.01	-
Forbes Facility Services Pvt Ltd			-	0.02					-	0.02
Subcontract Income										
Transtonnelstroy-Afcons Joint Venture					0.07	0.08			0.07	0.08
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			343.32	376.94					343.32	376.94
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd			79.74	43.78					79.74	43.78
ESP Port Solutions Pvt Ltd.			5.19	-					5.19	-
HPCL Shapoorji Energy Pvt. Ltd			-	202.30					-	202.30
Income from Equipment Hire										
Strabag-AG Afcons Joint Venture					-	0.05			-	0.05
ESP Port Solutions Pvt Ltd.			6.38	-					6.38	-
Distribution of Profit / (Loss) from Joint Ventures										
Ircon-Afcons Joint Venture					-	7.48			-	7.48
Strabag-AG Afcons Joint Venture					17.40	-			17.40	-
Sale of Spares/Materials/Assets										
Transtonnelstroy-Afcons Joint Venture					0.00	-			0.00	-
Advance Given										
Transtonnelstroy-Afcons Joint Venture					1.24	1.36			1.24	1.36
Ircon-Afcons Joint Venture					-	0.02			-	0.02
Afcons Sener LNG Construction Projects Pvt. Ltd.					0.80	0.79			0.80	0.79
Afcons - KPTL Joint Venture					15.68	70.00			15.68	70.00
Shapoorji Pallonji & Co. Pvt. Ltd.	-	95.76							-	95.76
S P Engineering Service Pte Ltd			0.69	0.65					0.69	0.65

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note No. 34: Related party disclosures (Continued) (₹ in Crores)

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)/ Associate		Jointly Controlled Operations		Key Management Personnel		Total	
	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21	CY 21-22	PY 20-21
Advance Received back										
Transtonnelstroy-Afcons Joint Venture					**(1.22)**	(2.10)			**(1.22)**	(2.10)
Afcons Sener LNG Construction Projects Pvt. Ltd.					**(0.48)**	(0.48)			**(0.48)**	(0.48)
Afcons - KPTL Joint Venture					**(13.00)**	(48.94)			**(13.00)**	(48.94)
Service Charges paid										
Simar Port Private Ltd			**0.10**	-					**0.10**	-
SP Oil and Gas Malaysia SDN BHD			**-**	0.32					**-**	0.32
Housekeeping services paid										
Forbes Facility Services Pvt Ltd			**5.13**	10.59					**5.13**	10.59
Legal & Professional Fees										
Shapoorji Pallonji & Co. Pvt. Ltd. (Strategic Support Services)	**32.29**	31.27							**32.29**	31.27
Shapoorji Pallonji & Co. Pvt. Ltd. (Consultancy Services)	**1.13**	1.08							**1.13**	1.08
Travelling Expenses										
Forvol International Service Ltd			**5.15**	1.45					**5.15**	1.45
Purchase of Spares/Materials/Assets										
Transtonnelstroy-Afcons Joint Venture					**0.04**	0.05			**0.04**	0.05
Afcons - KPTL Joint Venture					**0.12**	-			**0.12**	-
Outstanding Amount Loans & Advances Dr/ (Cr)										
Shapoorji Pallonji & Co. Pvt. Ltd.	**271.79**	271.79							**271.79**	271.79
Transtonnelstroy-Afcons Joint Venture					**5.88**	5.60			**5.88**	5.60
Afcons Sener LNG Construction Projects Pvt. Ltd.					**2.80**	2.47			**2.80**	2.47
Afcons - KPTL Joint Venture					**12.01**	9.33			**12.01**	9.33
S P Engineering Service Pte Ltd			**34.31**	32.46					**34.31**	32.46
Outstanding Amount - Debtors										
Transtonnelstroy-Afcons Joint Venture					**3.98**	4.00			**3.98**	4.00
Shapoorji Pallonji & Co. Pvt. Ltd.	**26.16**	21.34							**26.16**	21.34
Strabag-AG Afcons Joint Venture					**0.27**	0.98			**0.27**	0.98
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd			**71.10**	84.58					**71.10**	84.58
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			**308.19**	214.63					**308.19**	214.63
HPCL Shapoorji Energy Pvt. Ltd			**-**	18.37					**-**	18.37
ESP Port Solutions Pvt Ltd.			**11.38**	-					**11.38**	-
Sterling & Wilson Private Limited			**0.01**	-					**0.01**	-
SP Oil and Gas Malaysia SDN BHD			**-**	0.04					**-**	0.04
Forbes Facility Services Pvt Ltd			**0.03**	0.03					**0.03**	0.03
Outstanding Amount - Creditors										
Forvol International Service Ltd			**0.41**	0.36					**0.41**	0.36
Forbes Facility Services Pvt Ltd			**0.50**	6.07					**0.50**	6.07
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd			**69.12**	79.28					**69.12**	79.28
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			**21.14**	77.79					**21.14**	77.79
HPCL Shapoorji Energy Pvt. Ltd			**-**	44.15					**-**	44.15
Shapoorji Pallonji Qatar WLL			**52.11**	50.33					**52.11**	50.33
Simar Port Private Ltd			**0.04**	-					**0.04**	-
Shapoorji Pallonji & Co. Pvt. Ltd.	**28.79**	(7.49)							**28.79**	(7.49)
Transtonnelstroy-Afcons Joint Venture					**0.04**	0.05			**0.04**	0.05
Strabag-AG Afcons Joint Venture					**0.11**	0.64			**0.11**	0.64
Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. JV					**-**	0.01			**-**	0.01

The Group has during the year made an investment of ₹ 43 crores by way of right issue of equity share of Shapoorji Pallonji Pandoh Takoli Highway Private Limited in May 2021. Also, the company has divested/sold investments of ₹ 43 crores of Shapoorji Pallonji Pandoh Takoli Highway Private Limited in March 2022.

As the liabilities for defined plans and leave entitlements are provided on acturial basis for the Group as a whole, the amounts pertaining to Key Management Personnel are not included.

(c). Companies forming part of the composite scheme of arrangement

"Pursuant to the Composite Scheme of Arrangement ("Scheme") approved by the National Company Law Tribunal, Mumbai (NCLT) vide order dated 25th January, 2022, two downstream subsidiaries of Eureka Forbes Limited (EFL) (a fellow subsidiary) got merged with EFL, followed by EFL (including certain downstream subsidiaries as defined in the Scheme) getting merged into Forbes & Company Limited (FCL) (another fellow subsidiary) and consequently upon the scheme becoming effective got demerged and vested into Forbes Enviro Solutions Limited ("FESL") (another fellow subsidiary), on a going concern basis.

The Scheme was made effective by filing the requisite form with the Registrar of Companies, on 1st February, 2022. During the period ended January 31, 2022, the Company has entered transactions for Purchase of Spares/Materials/Assets with EFL aggregating ₹ 0.2 (PY ₹ 0.49) and outstanding trade payables as at March 31, 2022 aggregates ₹ 0.01 (PY ₹ 0.05).

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 35: Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the Companies Act, 2013

Name of the entity	% Holding	Net Assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent : Afcons Infrastructure Ltd.		84.77%	2,291.04	72.60%	259.62	107.17%	(9.71)	71.70%	249.91
Subsidiaries :									
Indian:									
1) Hazarat & Company Pvt.Ltd.	100%	0.00%	0.02	0.00%	-	0.00%	-	0.00%	-
2) Afcons Corrosion Protection Pvt. Ltd.	100%	0.07%	1.83	0.02%	0.06	0.00%	-	0.02%	0.06
3) Afcons Hydrocarbons Engineering Private Limited	100%	0.05%	1.37	0.01%	0.05	0.00%	-	0.01%	0.05
4) Afcons Oil & Gas Service Pvt. Ltd.	74%	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Foreign:									
1) Afcons Construction Mideast LLC	49%	-2.09%	(56.36)	1.34%	4.78	17.88%	(1.62)	0.91%	3.16
2) Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	49%	0.58%	15.68	0.47%	1.68	-4.19%	0.38	0.59%	2.06
3) Afcons Gulf International Project Services FZE	100%	0.17%	4.66	-0.03%	(0.12)	0.00%	-	-0.03%	(0.12)
4) Afcons Mauritius Infrastructure Ltd.	100%	0.43%	11.65	0.03%	0.12	0.00%	-	0.03%	0.12
5) Afcons Overseas Singapore Pte Ltd.	100%	18.47%	499.31	47.01%	168.09	-74.17%	6.72	50.15%	174.81
6) Afcons Infra Projects Kazakhstan LLP	100%	-0.03%	(0.75)	-0.08%	(0.30)	0.22%	(0.02)	-0.09%	(0.32)
7) Afcons Saudi Construction LLC.	100%	0.01%	0.20	0.00%	-	0.00%	-	0.00%	-
8) Afcons Overseas Project Gabon SARL	100%	1.26%	33.94	-1.82%	(6.50)	-12.03%	1.09	-1.55%	(5.41)
Minority interests in all subsidiaries		-0.34%	(9.28)	0.35%	1.25	0.00%	-	0.36%	1.25
Jointly Controlled Operations									
Indian									
1) Afcons Gunanusa Joint Venture	100%	-1.46%	(39.33)	-1.43%	(5.10)	0.00%	-	-1.46%	(5.10)
2) Transtonnelstroy Afcons Joint Venture	99%	-3.42%	(92.42)	3.39%	12.14	0.00%	-	3.48%	12.14
3) Dahej Standby Jetty Project Undertaking	100%	0.03%	0.92	-0.06%	(0.21)	0.00%	-	-0.06%	(0.21)
4) Afcons Pauling Joint Venture	100%	0.06%	1.74	0.00%	-	0.00%	-	0.00%	-
5) Strabag AG Afcons Joint Venture	40%	0.96%	25.91	0.72%	2.58	0.00%	-	0.74%	2.58
6) Afcons Sener LNG Construction Projects Pvt.Ltd.	49%	-0.29%	(7.95)	-0.56%	(2.02)	0.00%	-	-0.58%	(2.02)
7) Ircon Afcons Joint Venture	47%	0.02%	0.45	-0.04%	(0.14)	0.33%	(0.03)	-0.05%	(0.17)
8) Afcons Sibmost Joint Venture	100%	1.03%	27.80	1.15%	4.13	0.00%	-	1.18%	4.13
9) Afcons Vijeta PES Joint Venture	100%	0.00%	0.05	-0.11%	(0.38)	0.00%	-	-0.11%	(0.38)
10) Afcons SMC Joint Venture	100%	1.29%	34.95	4.00%	14.29	11.04%	(1.00)	3.81%	13.29
11) Afcons Vijeta Joint Venture	100%	0.22%	5.99	0.44%	1.59	0.00%	-	0.46%	1.59
12) Afcons JAL Joint Venture	100%	0.10%	2.64	0.11%	0.39	0.00%	-	0.11%	0.39
13) Afcons KPTL Joint Venture	100%	0.16%	4.20	0.07%	0.26	-0.11%	0.01	0.08%	0.27
11) Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. Joint Venture	100%	-0.23%	(6.24)	-1.64%	(5.86)	3.09%	(0.28)	-1.76%	(6.14)
12) Afcons - Vijeta Joint Venture (Zimbabwe)	100%	-0.34%	(9.19)	-1.28%	(4.59)	50.77%	(4.60)	-2.64%	(9.19)
Adjustment of deferred tax on undistributed earnings of subsidiary		-0.93%	(25.17)	-7.04%	(25.17)	0.00%	-	-7.22%	(25.17)
Inter-company eliminations and consolidation adjustments		-0.55%	(14.87)	-17.63%	(63.03)	0.00%	-	-18.08%	(63.03)
Total		**100.00%**	**2,702.78**	**100.00%**	**357.60**	**100.00%**	**-9.06**	**100.00%**	**348.54**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 36. Afcons Gunanusa Joint Venture (AGJV)

(a) AGJV had submitted claims for Change orders aggregating to ₹ 77,469.54 lacs to ONGC. The JV has invoked arbitration in respect of the aforesaid change orders, as the same were not approved by Outside Expert Committee (OEC). Claims against change orders and counter claims by ONGC aggregating to ₹ 6,583.10 lacs is currently being discussed in arbitration.

Based on the assessment performed by the management of the Joint Venture, of the aforesaid customer claims and the claims filed by the Joint Venture against the customer, which is supported by a legal opinion, management is of the view that the amount due from customer under construction contract of ₹ 12,405.37 Lacs as on March 31, 2022 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management.

Furthermore, the application under section 17 of the Arbitration and Conciliation Act, 1996 filed on behalf of AGJV before the Arbitral Tribunal seeking directions to ONGC to limit the Bank Guarantees to maximum Liquidated Damages value plus 10% to be kept valid and alive till the final disposal of Arbitral Proceedings. It was directed by the Hon'ble Tribunal that instead of the enormous amount of Bank Guarantees already submitted by AGJV, AGJV has to only submit Bank Guarantees equivalent to 110% of the Liquidated Damages amount (as per the relevant Contract Clause) and keep those Bank Guarantees alive till the final disposal of Arbitral Proceedings.

As per the terms of the settlement agreement entered into between Afcons Gunanusa Joint Venture (AGJV), Afcons Infrastructure Limited (Afcons) and PT Gunanusa Utama Fabricators (PTG) on July 26, 2018 , it is further agreed that PTG's liability towards liquidated damages (LD) under the Subcontract shall be limited to USD 3.6 million equivalent ₹ 2,728.35 lacs only and the liability shall be imposed on PTG only if AGJV is confirmed to be liable for liquidated damages in the ONGC Arbitration, where PTG's share of liability for LD is 20%. Also, in the event AGJV is not successful in the ONGC Arbitration, Afcons agrees to absorb all the losses in the Project without claiming anything against PTG. If AGJV receives an award from the ONGC Arbitration for amount above USD 35 million equivalent ₹ 26,525.63 lacs, Afcons agrees to share 20% of the amount above USD 35 million equivalent ₹ 26,525.63 lacs to PTG.

b) AGJV, a jointly controlled operation included in consolidated financial statements of Afcons Infrastructure Limited has a total exposure of ₹ 127.19 Crores in a customer (ONGC) with respect to construction of ICP-R Offshore Process Platform project. AGJV has invoked an arbitration which is under discussion.

Afcons Infrastructure Limited has total receivables of ₹ 193.03 Crores (before elimination) which includes ₹ 181.27 Crores as Advance to AGJV and ₹ 11.76 Crores as Trade Receivables from AGJV as on March 31, 2022. The recovery of this amount is dependent upon finalization of the arbitration award. However, these outstanding are eliminated while preparing the Consolidated financial statements of the Company as per accounting policy A.v) and 1.B.2. a).

Note 37. Transtonnelstroy Afcons Joint Venture (TAJV)

(a) TAJV ("the JV") had submitted variations to the client for two projects (package UAA-01 and package UAA-05) arising on account of cost overruns due to unforeseen geological conditions, delays in handing over of land, change in scope of work etc., which the Management believes is attributable to the Chennai Metro Rail Limited ("the client").

During the previous year, the client had invoked one performance bank guarantee issued by Joint Venture Partner, Afcons Infrastructure Limited, on behalf of the Joint Venture, which was challenged by Joint Venture in Hon'ble High Court, Madras. Based on order passed by Hon'ble High Court, Madras, both the parties (Client and TAJV) has now referred all disputes related to extension of time beyond the period already granted earlier in arbitration, associated cost to extended stay, release of withheld amount and encashment of bank guarantees in claim no. 8. and hearings is currently in process. Further, the client had also filed the special leave petition appeal in Hon'ble Supreme Court for invoking another performance bank guarantee. Hon'ble Supreme Court vide its order dated May 13, 2022, declined to interfere in the petition and requested arbitral tribunal to decide the arbitration proceedings pending before it as expeditiously as possible.

During current year, Arbitration Panel issued an unanimous award in favour of TAJV granting extension of time in claim no. 1 and 2 and the hearings for the related extension of cost in claim no. 3 and 3A is currently in process. The said award for extension of time, was challenged by the client and set aside by single bench of Hon'ble High Court, Madras. TAJV has filed an appeal and the same is admitted before Division bench of Hon'ble High Court, Madras and hearing is in process.

Subsequent to the year end, TAJV has entered into an amicable settlement with the client on May 19, 2022 for both the projects, where client has agreed to pay TAJV amount of Rs. 8,870.00 lacs towards miscellaneous claims that were earlier before Dispute Adjudication Board. The said amount has been subsequently paid by client.

Further, there are counter claims submitted by the client which are mainly towards contingencies that they may have to incur in future, loss of revenue, liquidated damages etc. These claims and counter claims are under negotiation with the client / being heard in different arbitrations / in Hon'ble High Court proceedings for determination and recovery of the amounts.

Based on the assessment of the aforesaid matters related to claims and counter claims, carried out by Joint Venture's management after considering the current status of negotiation/amicable settlement with the client / in arbitration proceedings which is supported by legal opinion and technical evaluation, Management of TAJV is of the view that the claim submitted by TAJV is based on cost actually incurred but not duly compensated and the counter claims submitted by the client are based on contingencies that they may have to incur in maintaining the tunnel and stations in future and that the counter claims of client shall not be defendable in Arbitration Tribunal or Court of law. Management of TAJV is confident of getting favorable order/ award and is of that opinion that amount of ₹ 65,612.09 lacs recognized towards such variations/ claims in Note 7 'Amounts due from customers under construction contracts' as Non-current assets, is appropriate and the same is considered as good and fully recoverable. TAJV's management does not anticipate any further loss to be recognized at this stage.

(b) TAJV, a jointly controlled operation included in consolidated financial statements of Afcons Infrastructure Limited has a total exposure of ₹ 920.66 Crores (Previous Year ₹ 920.66 Crores) in Chennai Metro Rail Ltd. project (CMRL) which includes trade receivables of ₹ 175.83 Crores (Previous Year ₹ 175.83 Crores) and unbilled receivables of ₹ 744.83 (Previous Year ₹ 744.83 Crores).

TAJV has claimed variations amounting to ₹ 2,020 Crores on CMRL which are pending at different stages as follows:

a) Variations of ₹ 1,646 Crores on account of extended stay Cost.

b) Variations of ₹ 374 Crores on account of change in site condition/soil strata (unforeseeable Sub-surface condition).

c) All other matters have been amicably settled on 19th May 2022 for ₹ 88.70 Crores Payment against amicable settlement has been realized on 08th June 2022.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Afcons Infrastructure Limited has a total receivable of ₹ 986.26 Crores (before elimination) which consists of Advance of ₹ 588.11 Crores and Debtors of ₹ 398.15 Crores from TAJV as on March 31, 2022. AIL is not the party to the arbitration/claims and the recovery of this amount is dependent upon finalization of arbitration award and clearance /acceptance of claims by CMRL. However, these outstanding are eliminated while preparing the Consolidated financial statements of the Company as per accounting policy A.v) and 1.B.2. a).

Note 38. Dahej Standby Jetty Project Undertaking (DJPU)

(a). Amount due from customer under construction contract amounting to INR 1,110.06 Lacs (Refer note no. 5 Other non-current assets) pertains to cost incurred towards the contract which is yet to be certified by customer. Management had submitted variations towards the same which were not approved by the customer. During the year 2018-19, management has invoked arbitration for settlement of their claims against the customer.

During the year ended on 31 March 2022, an unfavourable award was granted in Arbitration, towards claims of liquidated damages for delay in completion of works by DJPU for INR 4,481.73 Lacs and USD 1.91 Million (equivalent INR 1,400.96 Lacs) plus interest at 15.05% and 4.25% per annum on INR and USD portion respectively. Customer has subsequently encashed the bank guarantees given by a Joint Venturer, Afcons Infrastructure Limited of INR 7,927.95 Lacs (including interest of INR. 2,045.25 Lacs) and recovered the award amount. The amount of encashed Bank Guarantee has been recorded by DJPU as Other Receivables from customer (Refer note no. 5 Other non-current assets) and Payable to JV Partner (Refer note no. 8 Non-current Borrowings). Thereafter, DJPU has filed petition at Hon'ble High Court, Delhi for setting aside the unfavourable award and also submitted claims of INR 14,464.72 Lacs for additional cost incurred w.r.t extended stay and acceleration cost, considering that the delay is attributable to the customer. This petition is admitted by Hon'ble High Court, Delhi and hearings is currently in process.

Based on the assessment performed by the management of DJPU, of the aforesaid customer claims and the claims filed by the DJPU against the customer, which is supported by a legal opinion, management is of the view that recognition of the amount recoverable from the aforesaid customer of INR 7,927.95 Lacs and amount due from customer under construction contract of INR 1,110.06 Lacs as on March 31, 2022 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management.

However, considering the uncertainties involved in further legal proceedings, contingent liability of INR 9,038.01 Lacs is disclosed in the financial statements in note no. 17 Contingent liability.

(b) Afcons Infrastructure Limited has given advances aggregating to ₹ 89.79 Crores (before elimination) to the said jointly controlled operation as mentioned in note 6 'Loan and advances' which are receivable from DJPU, (a jointly controlled operation and included in the Consolidated financial statements of Afcons Infrastructure Limited). The recovery of this amount is dependent upon finalization of the proceedings. Adequate provision has been made in the current financial year. However, these outstanding are eliminated while preparing the Consolidated financial statements of the Company as per accounting policy A.v) and 1.B.2. a).

Note 39.

(a) The Group has been legally advised that outstanding interest free advances aggregating to ₹ 931.28 Crores before elimination (As at 31st March, 2021 ₹ 893.59 Crores) made towards financing the unincorporated joint operations do not come under the purview of Section 186 of Companies Act, 2013 as the Group is in the business of constructing and developing infrastructure facilities. The same gets nullified post elimination, refer note 6.

(b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For investments made refer to Note no. 4.

Note 40. The Group had entered into a contract with Jordan Phosphate Mines Construction (JPMC) on April 20, 2010 for the construction of "New Phosphate Rock Terminal at Aqaba - Jordan" with a contract value of ₹ 909.13 Crores (142.23 Million JOD).

The Group had submitted various claims on account of extra works, release of bank guarantee and delay in completion of the project. The Group filed the issues for arbitration with the International Chamber of commerce (ICC) on November 2016.

On October 30, 2019, the ICC rendered an unfavourable award of ₹ 178.26 Crores to the Group and a favourable award of ₹ 86.75 Crores on account of final bill and variation.

The Management had challenged the award in the Paris Court of Appeal. During the current financial year, the case was disposed in favour of JPMC by the Paris Court of Appeal. The Group reached a full and final settlement with JPMC of all matters outstanding and arising out of or in connection with the project. An amount of ₹ 38.36 Crores (Euro 4,496 million) was agreed and paid in December 2021 as final settlement and all the bank guarantees were released by JPMC. As on March 31 2022, there's no further exposure pertaining to JPMC.

Note 41. Konkan Railway Corporation Limited (KRCL) had issued a contract for construction of Arch Steel Bridge across river Chenab on 24th August, 2004. The DBN (Design Basis Note) submitted by KRCL during the tender stage was revised in 2005 and subsequently in 2006 and 2010. The project got delayed due to various reasons such as changes in design parameters, wind load during service condition, arch span, finalization of slope stabilization etc.

Due to the above, the Group has raised two arbitration claims amounting to ₹ 1,723.24 Crores which are towards additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment, pend period cost etc. These variation costs have already been charged off to profit and loss account in past. In the previous year, the Group had received an unfavourable award for major portion of its claims. The awards are challenged before Bombay High Court.

The total receivables amounting to ₹ 210.97 Crores as at March 31, 2021 (unbilled receivable of ₹ 204.75 Crores and retention of ₹ 6.22 Crores) includes ₹ 115 Crores on account of increase in steel quantity due to change in design.

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 42. The Group had executed project awarded by the Board of Trustees of the port of Mumbai (MbPT) for Modernization of the existing Marine Oil Terminal and berths/jetties J1, J2 and J3 at the Multi-cargo Marine Oil Terminal of Jawahar Dweep based in Mumbai Harbor. The project had completed in June 2003.

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

Note 43. The Group had executed project awarded by Uttar Pradesh Expressways Industrial Development Authority for Construction of Six-lane green field Kannauj to Unnao Expressway (package IV). During the execution of the project the client issued various change orders which required additional deployment of resources. The expressway was inaugurated and put to use in Dec 2016. The project was completed 13 months ahead of schedule.

Due to the various change orders, the Group has raised various claims amounting to ₹ 211 Crores (unbilled receivables disclosed under note no. 8 Contract assets) which are towards additional expenses on account of change of scope, additional works, royalty claim etc. The matter is referred to Arbitration. Considering the legal opinion obtained and facts of the matter, the Company is confident of winning the case and recovering the entire amount from Uttar Pradesh Expressways Industrial Development Authority.

Note 44.

(a) The Group has unbilled receivables towards various ongoing and completed projects disclosed under Note no. 8 'Contract assets'. This unbilled work also includes variations on account of cost overruns due to unforeseen geological conditions, delays in handling over land, change in scope of work, etc. which are under discussions at various levels including customer, in arbitration, Dispute Adjudication Board etc. Based on the discussions and merits of the claims, the management is confident about the recovery of these pending variations with respect to unbilled receivables disclosed under note no. 8 "Contract assets".

(b) The Group has a total net receivable of ₹ 833.58 Crores (including interest on arbitration awards ₹ 240.38 Crores) which is a part of Trade Receivables shown under note 5 towards arbitration awards which are won by the Group in past, these arbitration awards have been further challenged by the customers before the session court or higher courts of law. Pending disposal of these matters in the courts, management has recognized the amount as per the arbitration award and part payment has been received by management under Niti Aayog Scheme upon submission of a bank guarantee by the Group. Management is confident about the recovery of the amounts involved in the pending matters at various levels.

Note 45. The Jointly Controlled Operations have mentioned in their financial statement that as per the terms of agreement parent is committed to provide additional funds as may be required to meet the working capital requirements of such Jointly Controlled Operations. The aforementioned has been disclosed by a few subsidiaries as well.

Basis management's assessment, parent is committed to provide and can adequately source additional funds as may be required to meet the working capital requirements of these Jointly Controlled Operation/Subsidiary.

Note 46. As on 31st March 2022, an amount of ₹ 558.35 Crores (excluding Jointly Controlled Operations) is receivable towards GST Input Credit which includes unutilised credit of inputs and input service on account of inverted duty structure. The Group has a robust Order book position of more than ₹ 34,000 Crores across India and there are several projects which are under the pipeline. Further, the Group has initiated Arbitration towards variations and Time related claims with respect to various projects and management expects favorable awards in these claims/ arbitration. Considering the facts as mentioned above, there is no doubt about the utilization of the GST input credit balance against the future liabilities and the same is considered good.

Note 47.1 On accounts of second wave of Covid 19, most of the states have declared lock down but have allowed infrastructure activity to be continued.

The Management and the Board of Directors have evaluated the impact of the pandemic on its business operations. The Company currently has a strong order book, leading to a clear visibility of revenue over the next 18-24 months. Collection from customers have been normal during the lockdown period enabling the Company to meet all its liabilities (including employee payables) in a timely manner and without availing any moratorium as announced by the Reserve Bank of India. The Company has adequate unutilized fund-based credit facilities available, to take care of any urgent requirement of funds. The Company through the lockdown period and even subsequently has been able to maintain adequate control of its assets and there have been no significant changes to its control environment during the period.

Based on the above assessment, the Group strongly believes that there is no material impact of Covid 19 on these consolidated financial statements. The Group has also made a detailed assessment of its liquidity position for the next 12 months from the balance sheet date. Further, there is no material impact foreseen on revenue and operating cash flow of the Group.

Accordingly, the pandemic is not likely to have a significant impact on the future operations, its profitability and recoverability of the carrying value of its assets, as at March 31, 2022 and on its control environment. The Group will continue to closely monitor material changes to future economic conditions, if any, as and when they arise.

Note 47.2 The auditors of Jointly Controlled Operations of Afcons Vijeta Joint Venture, Afcons SMC Joint Venture, Afcons Vijeta PES Joint Venture, Afcons JAL Joint Venture and the auditors of branches located in Tanzania* and Kuwait* have given an Emphasis of Matter paragraph in relation to impact of COVID- 19. The Group has done the detailed assessment of COVID 19 impact as on March 2022 and based on detailed assessment and liquidity position for the next 12 months there's no material impact forseen on account of COVID-19.

*Branches located outside India.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

48.1 COVID 19 related assessments performed by various entities (including branches and jointly controlled operations) within the Group.

Afcons Zambia Branch

"The directors are aware of the COVID-19 pandemic as well as the country's downgrade to sub-investment grade. The pandemic is considered to be a non-adjusting event and there is no immediate concern around going concern. Management is continually assessing and monitoring developments with regard to the disease and at the time of finalising the report, the directors are confident that Company's responses are adequate and the crisis is being continuously monitored to assess the impact on the Company. "

Afcons Sibmost Joint Venture, Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. Joint Venture, Afcons Vijeta Joint Venture, Zimbabwe.

The outbreak of the Coronavirus -The COVID-19 epidemic; significantly impacted businesses around the world.

The Supervisory Board of the JV is closely monitoring the impact the COVID-19 pandemic on all aspects of its operations including significant accounting judgements and estimates, inter-alia including its liquidity position, recoverability/carrying values of its trade receivables and contract assets as at balance sheet date. The Supervisory Board has evaluated and assessed this impact and future uncertainties resulting from Covid-19 based on internal and external sources of information including credit reports and related information and economic forecasts by various agencies and organisations, discussions and views from experts and industry participants, market estimates, etc. based on the information available till the date of approval of these financial statements.

The Supervisory Board, based on assumptions and current estimates expects that the carrying amount of its assets as reflected in the Balance Sheet as at March 31 , 2022 will be recovered. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly, the actual impact on the business operations, may be different from that estimated as at the date of approval of these financial statements. The Supervisory Board will continue to monitor developments to identify significant uncertainties and material changes in future periods that may have an impact on the operations of the JV.

48.2 Going concern related assessments performed by various entities (including branches and jointly controlled operations) within the Group.

Afcons Sener LNG Constructions Projects Pvt. Ltd.

"Material uncertainty related to going concern:

The auditor of Jointly Controlled Operations of Afcons Sener LNG Constructions Projects Pvt. Ltd. have given an Emphasis of Matter paragraph in relation to going concern assumption used for preparation of financial statements. Basis the Parent Company's assessment Company can adequately source the funding required at the mentioned Jointly Controlled Operations.

Afcons Zambia Branch

"According to the contract signed between Afcons Infrastructure Limited and the Ministry of Local Government and Housing, the contract period ended on 30 September 2021. Furthermore, the contract stipulates a defects liability period ending 30 September 2022. The directors believe that the Company has adequate financial resources to continue in operation up to 30 September 2022, the end of the defects liability period and accordingly the financial statements have been prepared on a going concern basis.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the Company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the Company and will remain in force for so long as it takes to restore the solvency of the Company."

Note 49. Tropical Cyclonic Storm Tauktae which originated in the Arabian Sea hit the western coast of India in Mid-May, 2021 and impacted Afcons, which was carrying out revamp of offshore platforms for one of its customer with its consortium partner Halani-Tes-Nauvata. Cyclone Tauktae caused damaged to project material, loss of life and vessels involved in the revamp of the offshore platforms. Group has taken adequate insurance cover for damage of material and also insurance policies required to be maintained for its employees and sub-contractors employees. Besides the statutory compensation eligible to employees from insurance companies, the Group has agreed to pay additional ex-gratia payment to all employees including sub-contracted employees, which is estimated to cost around ₹ 18 Crores. For the chartered vessels the risk liabilities for damages lie with the vessel owner and no liabilities will involve on Afcons or its customer.

Note 50. Subsequent to year end, Afcons Infrastructure Limited has entered into an agreement with one of the Shapoorji Pallonji Group Company to subscribe to Compulsorily Convertible Debentures ("CCDs") aggregating to ₹ 200 Crores. Pursuant to right vested under the subscription agreement, Afcons has assigned all its rights and obligations with respect to the said subscription in the CCDs of ₹ 200 Crores to entities within the Shapoorji Pallonji Group.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 51: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

(₹ in Crores)

Name of the Bank/ Financial Institution	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reasons for difference
State Bank of India (Consortium Bank)	1,402 – Fund Based Limit	Contract assets – Stock in Progress	Jun-21	2,959	2,768	191	Current portion as per the Management assessment has been considered in the quarterly statements.
			Sep-21	2,546	2,340	206	
			Dec-21	2,615	2,410	205	
			Mar-22	2,538	2,333	205	
		Trade Receivables	Jun-21	1,211	2,184	-973	Certain receivables have not been considered in quarterly statements.
			Sep-21	1,460	2,478	-1,018	
			Dec-21	860	2,129	-1,269	
			Mar-22	1,149	2,189	-1,040	
		Other construction Material	Dec-21	407	299	108	Shuttering Material stock has been included in quarterly statements.
			Mar-22	453	345	108	

(iii) Relationship with struck off companies

The Group has following transactions with the companies during the financial year 2021-2022 struck off under Companies Act, 2013 or Companies Act, 1956.

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2022 (₹ in Crores)	Balance as on 31st March, 2021 (₹ in Crores)	Relationship with the struck off company
Shaurya Protection And Detection Private Limited.	Payable	0.07	0.05	Not a Related Party
Bulsar Construction & Consulting (Opc) Private Limited.	Payable	0.02	0.08	Not a Related Party

The Group has following outstanding balances as on March 31 2022, with the companies struck off under Companies Act, 2013 or Companies Act, 1956. However, no transactions have been entered during the year.

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2022 (₹ in Crores)	Balance as on 31st March, 2021 (₹ in Crores)	Relationship with the struck off company
Chowdhary Motors Pvt. Ltd.	Payable	#	#	Not a Related Party
Convotech Projects Ltd.	Payable	#	0.02	Not a Related Party
Hal Water Vatika Pvt. Ltd.	Payable	0.01	0.01	Not a Related Party
Parmar Power System Pvt. Ltd.	Payable	0.01	0.01	Not a Related Party
Satya Parkash & Bros Pvt.Ltd	Payable	0.01	0.01	Not a Related Party
Rump Inspection & Engg	Payable	#	#	Not a Related Party
Tricolite Engg. Pvt. Ltd.	Payable	#	#	Not a Related Party
Mac International Infra Pvt Ltd.	Payable	0.01	0.01	Not a Related Party
Zoiros Infratech Pvt Ltd	Payable	0.02	0.02	Not a Related Party
I Dream Infratech Private Limited	Payable	0.02	0.02	Not a Related Party
Auskini Infraqp Pvt Ltd	Payable	0.01	0.01	Not a Related Party
Hbc Infratech Pvt. Ltd.	Payable	#	#	Not a Related Party
Kamlesh Projects Private Limited	Payable	0.06	0.06	Not a Related Party
Bikram Construction Private Limited	Payable	0.02	0.02	Not a Related Party
Viradhya Infratech Private Limited	Payable	0.02	0.02	Not a Related Party
Pankasooraj Foundations Private Ltd	Payable	#	#	Not a Related Party
Engicon India Pvt Ltd	Payable	0.02	0.02	Not a Related Party
Sohum Habitat Pvt. Ltd.	Payable	#	#	Not a Related Party
Sunrise Systems Ltd	Payable	#	#	Not a Related Party
Precision Calibration And Services	Payable	#	#	Not a Related Party
Anp Geo Infra Pvt. Ltd.	Payable	0.01	0.01	Not a Related Party

Note:- Amount mentioned as “#” is below rounding off norms adopted by the Group.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

(iv) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Utilisation of borrowed funds and share premium

A. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the Intermediary shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Note No 52. Financial instruments

52.1. Capital management

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

The capital structure of the Group consists of net debt (borrowings as detailed in notes 14 and 20 offset by cash and bank balances as detailed in notes 10 and 10.1) and total equity of the Group.

The Group is not subject to any externally imposed capital requirements. The Group monitors capital using a gearing ratio, which is net debt divided by total capital.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

52.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows. (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Debt (i)	1,555.20	1,588.59
Cash and bank balances	526.42	710.94
Net debt	1,028.78	877.65
Total equity (ii)	2,702.78	2,379.48
Net debt to equity ratio	0.38	0.37

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts as described in notes 14 and 20 and includes interest accrued but not due on borrowings).

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

52.2. Categories of financial instruments

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

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Mandatorily measured:		
(i) Mutual fund investments	-	-
Measured at amortised cost		
(a) Cash and bank balances	447.08	612.52
(b) Bank balance other than (a) above	79.34	98.42
(c) Trade receivables	2,982.75	3,049.40
(d) Loans	55.07	50.13
(e) Other financial assets	401.34	388.07
Measured at FVTOCI		
(a) Investments in equity instruments	0.89	0.40
Total financial assets	**3,966.47**	**4,198.94**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,555.20	1,588.59
(b) Trade payables	3,137.05	3,428.56
(c) Other financial liabilities	682.88	583.09
Total financial liabilities	**5,375.13**	**5,600.24**

52.3. Financial risk management objectives

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

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

52.4. Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

52.5. Foreign currency risk management

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions in various countries. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

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

Particulars	Liabilities		Assets	
	As at 31st March, 2022		As at 31st March, 2022	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
USD Currency	4.52	342.53	1.89	143.36
EURO Currency	0.11	9.86	0.43	36.18
QAR Currency	13.19	274.73	13.69	285.10
OMR Currency	0.00	0.04	-	-
MUR Currency	144.79	242.78	191.17	320.53
UAE Currency	0.07	1.52	5.72	117.94
JOD Currency	0.00	0.14	0.04	4.34
BHD Currency	0.01	2.62	0.00	0.01
KWD Currency	0.88	219.18	0.98	244.46
GBP Currency	0.00	0.03	0.01	0.63
JPY Currency	1.96	1.22	-	-
BDT Currency	495.36	443.15	442.88	396.20
SAR Currency	0.00	0.01	0.04	0.88
GHS Currency	27.32	283.66	14.53	150.84
SGD Currency	0.00	0.01	-	-
ZMW Currency	57.56	241.70	-	-
MZN Currency	101.47	121.68	223.56	268.10
MRU Currency	32.07	67.12	-	-
BTN Currency	30.33	30.33	-	-
TZS Currency	1,136.21	37.15	2,153.83	70.43
MVR Currency	141.83	707.17	37.74	188.19
XAF Currency	675.36	86.45	991.42	126.90
XOF Currency	-	-	0.70	0.09

Particulars	Liabilities		Assets	
	As at 31st March, 2021		As at 31st March, 2021	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
USD Currency	2.77	203.12	4.06	296.97
EURO Currency	2.32	198.97	0.22	19.15
QAR Currency	13.19	265.34	13.69	275.36
OMR Currency	0.00	0.17	-	-
MUR Currency	214.96	387.09	237.05	426.85
UAE Currency	0.16	3.19	5.04	100.53
JOD Currency	0.85	88.41	0.87	89.68
BHD Currency	0.01	2.53	0.00	0.01
KWD Currency	1.10	265.68	1.27	308.95
GBP Currency	0.00	0.23	-	-
JPY Currency	13.40	8.86	-	-
BDT Currency	432.63	373.75	332.48	287.23
SAR Currency	-	-	0.04	0.85
GHS Currency	47.17	601.66	19.59	249.90
SGD Currency	0.01	0.64	-	-
GNF Currency	25.12	0.19	-	-
ZMW Currency	113.62	377.00	-	-
MZN Currency	156.53	164.54	191.38	201.17
MRU Currency	161.34	329.61	96.50	197.13
BTN Currency	27.45	27.45	0.52	0.52
TZS Currency	691.16	21.84	117.63	3.72
XAF Currency	271.56	35.57	-	-

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

52.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of USD, EURO, KWD, GHS, ZMW, MUR, MZN, MRU and MVR.

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

(₹ in Crores)

Particulars	USD currency impact		Euro currency impact		KWD currency impact	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(9.96)	4.69	1.32	(8.99)	1.26	2.16
Decrease in exchange rate by 5%	9.96	(4.69)	(1.32)	8.99	(1.26)	(2.16)

Particulars	GHS currency impact		ZMW currency impact		MUR currency impact	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(6.64)	(17.59)	(12.08)	(18.85)	3.89	1.99
Decrease in exchange rate by 5%	6.64	17.59	12.08	18.85	(3.89)	(1.99)

Particulars	MZN currency impact		MRU currency impact		MVR currency impact	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Impact on profit or loss for the year						
Increase in exchange rate by 5%	7.32	1.83	(3.36)	(6.62)	(25.95)	-
Decrease in exchange rate by 5%	(7.32)	(1.83)	3.36	6.62	25.95	-

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

52.5.2 Derivative financial instruments

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

52.6. Interest rate risk management

The group is exposed to interest rate risk because entities in the group, borrow foreign currency and local currency funds at floating interest rates. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The group's exposure to interest rate changes at the end of reporting period are as follows: (₹ in Crores)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Borrowing at Fixed Rate	1,006.15	1,008.63
Borrowing at Floating Rate	546.24	572.82
Total Borrowings	**1,552.39**	**1,581.45**

52.6.1. Interest rate sensitivity analysis

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the group's profit for the year ended March 31, 2022 would decrease/increase by ₹ 2.73 Crores (March 31, 2021: decrease/increase by ₹ 2.86 Crores). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings.

52.7. Other price risks

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

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

52.7.1 Equity price sensitivity analysis

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

If equity prices had been 5% higher/lower:

i) other comprehensive income for the year ended March 31, 2022 would increase/decrease by ₹ 0.01 Crores (March 31, 2021 : increase/decrease by ₹ 0.01 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

52.8 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from investment in debt instruments, loans, trade receivables, other receivables, cash and bank balance and derivative financial instruments.

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

Trade receivables and loan receivable:

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

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

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from Group Companies, they have been considered to enjoy the low credit risk as they meet the following criteria:

  i) they have a low risk of default,

  ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and

  iii) the Group expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

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

(C) For other trade receivables (including contract assets), the Group uses “General Model” for the measurement of expected credit loss (ECL) for trade receivables as well as contract asset.

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

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

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

Macro-economic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments within 120 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Refer note 5 and note 8 for reconciliation of expected credit loss balance on financial assets.

52.9 Liquidity risk management

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

52.9.1 Liquidity risk table

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

(₹ in Crores)

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1-5 years	5+years	Total
31st March, 2022					
Borrowings	8.00%	1,190.30	451.11	-	**1,641.41**
Trade payables		2,697.32	439.73	-	**3,137.05**
Other financial liabilities		494.79	188.09	-	**682.88**
		4,382.41	**1,078.93**	**-**	**5,461.34**
31st March, 2021					
Borrowings	8.26%	1,169.00	533.90	17.07	**1,719.97**
Trade payables		2,976.30	452.26	-	**3,428.56**
Other financial liabilities		334.50	248.59	-	**583.09**
		4,479.80	**1,234.75**	**17.07**	**5,731.62**

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

52.10 Fair value measurements

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

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

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

(₹ in Crores)

Financial assets / Financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2022	As at 31st March, 2021		
Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.89	0.40	Level 1	The investment in quoted instruments are measured at fair value based on quoted prices in active market.

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

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

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

a) **Financial assets**

Cash and bank balances

Bank balance other than above

Trade receivables

Loans

Other financial assets

b) **Financial liabilities**

Short-term borrowings

Trade payables

Other financial liabilities

Lease Liabilities

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

The carrying amount and fair value of long term borrowings, which are measured at amortised cost is disclosed in table below :

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**546.24**	**546.24**	**747.82**	**750.74**
- Borrowings	546.24	546.24	747.82	750.74

Note No 53. Disclosure pursuant to Ind As 115 "Revenue from Contracts with Customers".

(i) Disaggregation of revenue from contracts with customers into geographical areas for the year ended March 31, 2022 recognised in the statement of profit & loss

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Segment revenue		
India	7,463.26	6,001.69
Outside India	3,555.70	3,373.88
Revenue from external customers	**11,018.96**	**9,375.57**
Timing of revenue recognition		
At a point in time	130.45	104.25
Over time	10,888.51	9,271.32
	11,018.96	**9,375.57**

(ii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting period is ₹ 33,861.72 Crores (Previous year ₹ 28,634.28 Crores). Management expects that about 30% of the transaction price allocated to unsatisfied contracts as of 31st March, 2022 will be recognized as revenue during next reporting period depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

(iii) Reconciliation of contract price with revenue recognised during the year: (₹ in Crores)

Particulars	Amount
Revenue as per contract price	11,059.47
Adjustments for:	
Payments on behalf of customer	(40.51)
Revenue from Operations	**11,018.96**

(iv) Significant changes to Contract Asset and Contract Liability from April 1, 2021 to March 31, 2022 (₹ in Crores)

Particulars	Contract Assets	Contract Liabilities
April 1, 2021	3,948.40	4,098.90
Changes in Contract Asset / Liabilities	14.42	381.24
March 31, 2022	**3,962.82**	**4,480.14**

The contract assets and liabilities undergo a change periodically, due to changes in the contractual estimates for the projects on account of any change in scope of work, unprecedented delays, etc. During the year, the group has additionally recognised a loss allowance for contract assets in accordance with Ind As 109.

(v) - For movement in Expected Credit Loss of Trade Receivables and Contract Assets, refer Note 8.1 of the financial statement.

- For Trade Receivables refer Note 5 of the financial statement.
- For Contract liabilities of the Consolidated refer Note 17 of the financial statement.

(vi) Contracts assets and liabilities balance (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contracts in progress at the end of the reporting period:		
Construction cost incurred plus recognised profits less recognised loss to date	43,542.11	33,042.00
Less : Progress billings	41,165.66	30,607.19
	2,376.45	**2,434.81**
Recognised and included in the consolidated financial statements as amounts due :		
- from customers under construction contracts	3,962.82	3,948.40
- to customers under construction contracts	(1,586.37)	(1,513.59)
	2,376.45	**2,434.81**

(vii) The Group recognised revenue amounting to ₹ 1,232.88 Crores in the current reporting period (Previous year ₹ 933.64 Crores) that was included in the contract liability as of April 01, 2021

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 54 - Disclosure pursuant to Ind As 116 "Leases".

The Group leases land and buildings. Rental contracts are typically made for fixed periods of 12 months to 6 years, but may have extension options as described in (v) below.

(i) Amounts recognised in the balance sheet

a. Right-to-use assets (₹ in Crores)

Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
Land	3.D	50.96	15.39
Building	3.D	14.60	10.83

b. Lease Liabilities (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current	33.83	14.53
Non-current	34.20	13.12

(ii) Amounts recognised in the statement of profit and loss (₹ in Crores)

Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
Expense relating to short-term leases (included in other expenses)**	28	404.01	364.46
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	28	0.88	0.16
Expense relating to variable lease payments not included in lease liabilities	28	-	-
Interest on lease liability	26	6.68	3.18
Depreciation during the year	27	38.70	30.73
Total		**450.27**	**398.53**

** Rent expense relating to short-term leases of identified assets and variable lease payments under Ind As 116 included in Note 24.1 and Note 28 as mentioned above stands to ₹ 404.01 Crores However, the total of rent and hire charges included in Note 24.1 and Note 28 stands at ₹ 589.58 Crores the differential of ₹ 185.57 Crores is on account of hire charges of the assets which are unidentified assets under Ind As 116.

(iii) Maturities of lease liabilities as at March 31, 2022 (₹ in Crores)

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	29.16	31.63	-	60.79
	29.16	**31.63**	**-**	**60.79**

(iv) Total cash outflow for leases for the year ended 31 March 2022 was ₹ 37.65 Crores.

(v) Extension and termination options

Extension and termination options are included in a number of Land, Office Premises, Houses and Godowns leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operation. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(vi) Practical expedients applied :

In applying Ind As 116 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at 1st April, 2021 as short-term leases
- using hindsight in determining the lease term where the contract contains option to extend or terminate the lease
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.

(vii) The lessee's range of weighted average incremental borrowing rate applied to the lease liabilities as on April 1, 2021 for the entire group was 7.75% to 9.20%

(viii) Lessor accounting

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of Ind As 116.

Note 55.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2022 (Continued)

Note 56 - Interest in other entities

Details of aggregrate amount of individually immaterial subsidiaries having non-controlling interest. (₹ in Crores)

Name of Subsidiary	Principal Activities	Place of Incorporation and Principal place of business	Proportion of ownership interests and voting rights held by non- controlling interests		Profit/(Loss) allocated to non- controlling interest		Accumulated non-controlling interests		Dividends paid to NCI	
			As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	Infrastructure	Kuwait	3%	3%	0.05	0.06	1.57	1.52	-	-
Afcons Construction Mideast LLC	Infrastructure	U.A.E	20%	20%	1.20	2.86	(10.85)	(12.05)	-	-
Total					**1.25**	**2.92**	**(9.28)**	**(10.53)**	**-**	**-**

Note 57.

The Jointly Controlled Operation of the Group Strabag AG Afcons JV had received a notice from the EPS Office Shimla claiming an alleged short deposit of EPF Contribution on both domestic and international workers.The JV has deducted PF on basic amount of wages whereas the contention of EPFO is to deduct PF on Gross Wages. This matter is still under consideration of the department. However, at this stage the probable liability is not quantifiable.

Some of the ex-labour and vendors have filed cases against Strabag AG Afcons JV at various forums which are pending for adjudication. JV is of the opinion that these cases shall not result in major financial impact.

Special Valuation Branch, Customs have recommended levy of custom duty on engineering for layout and CAD of the value of Euro 379,106 against the imports for Baystag. Strabag AG Afcons JV is yet to receive the demand notice however JV estimates that custom duty may be imposed to the value of approximate ₹ 90 lakh excluding interest and penalty.

Note 58.

As of 31st March, 2022 the Parent Company has an outstanding receivables amounting to ₹ 97.10 Crores from SP Jammu Udhampur Highway Limited (SP Juhi) under the EPC contract for the Jammu Udhampur Road Project of NHAI. Subsequent to the year end, SP Jammu Udhampur Highway Limited (SP Juhi) has assigned the same to Shapoorji Pallonji Solar Holdings Pvt Ltd. (SP Solar) vide deed of assignment dated 20th July, 2022 between SP Juhi and SP Solar.

Note 59.

The financial statement was approved and adopted by the board of directors during the Annual General Meeting held on 29th July, 2022.

In terms of our report attached

For and on behalf of the Board of Directors

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

SARAH GEORGE
Partner
Membership No. 045255

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

SURESH K. JOSHI
Partner
Membership No. 030035

S.PARAMASIVAN
Managing Director
Din:00058445

GIRIDHAR R.
Dy. Managing Director
Din:02391515

ASHOK G.DARAK
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 29th July, 2022

Form AOC - 1

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

Statement containing salient features of the financial statement of the subsidiary / associate companies/ and the joint venture.

Part "A "Subsidiaries **(₹ in Crores)**

Sr. No	Name of the Company	Country of Incorporation	Reporting Currency	Reporting Period	% of Share	Rate of Exchange	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Details of Investments (except in case of investment in subsidiaries)			Turnover (Incl. Other Income)	Profit/ (Loss) before Tax	Provision for Current & Deferred Tax	Profit/ (Loss) after Tax	Proposed Dividend
											Shares	Mutual Funds	Total of Investment					
1	Hazarat & Company Private Limited	India	INR	1st April 2021 31st March 2022	100%	-	0.20	(0.18)	0.03	0.03	-	-	-	0.02	-	-	-	-
2	Afcons Corrosion Protection Private Limited	India	INR	1st April 2021 31st March 2022	100%	-	0.08	1.75	1.93	1.93	-	-	-	0.11	0.08	(0.02)	0.06	-
3	Afcons Hydrocarbons Engineering Private Limited	India	INR	1st April 2021 31st March 2022	100%	-	0.10	1.27	1.41	1.41	-	-	-	0.07	0.06	(0.01)	0.05	-
4	Afcons Oil & Gas Services Pvt Ltd	India	INR	1st April 2021 31st March 2022	74%	-	0.01	(0.02)	0.01	0.01	-	-	-	-	(0.01)	-	(0.01)	-
5	Afcons Construction Mideast LLC	Dubai, UAE	AED	1st Jan 2021 31st Dec 2021	49%	20.2391	0.61	(66.07)	232.39	232.39	-	-	-	61.10	26.97	-	26.97	-
6	Afcons Gulf International Projects Services FZE (100 % subsidiary of AMIL)	Fujairah	AED	1st Jan 2021 31st Dec 2021	100%	20.2391	2.02	2.62	4.65	4.65	-	-	-	0.00	(10.41)	-	(10.41)	-
7	Afcons Infrastructures Kuwait for Building, Roads and Marine Contracting WLL	Kuwait	KWD	1st Jan 2021 31st Dec 2021	49%	245.9629	2.95	14.57	17.62	17.62	-	-	-	3.31	2.14	-	2.14	-
8	Afcons Mauritius Infrastructure Limited	Mauritius	EURO	1st April 2021 31st March 2022	100%	83.8636	9.22	2.46	11.74	11.74	-	-	-	0.46	0.36	(0.01)	0.35	-
9	Afcons Overseas Singapore Pte Ltd.	Singapore	SGD	1st April 2021 31st March 2022	100%	55.9648	0.28	499.04	588.09	588.09	-	-	-	528.13	168.09	-	168.09	-
10	Afcons Infra Projects Kazakhstan LLP (Step down subsidiary)	Kazakhstan	KZT	1st April 2021 31st March 2022	100%	0.1613	0.01	(0.71)	0.19	0.19	-	-	-	0.00	(0.30)	-	(0.30)	-
11	Afcons Saudi Construction LLC	Saudi Arabia	SAR	1st April 2021 31st March 2022	100%	20.2025	1.01	(0.81)	1.08	1.08	-	-	-	-	0.00	-	0.00	-
12	Afcons Overseas Project Gabon SARL (Step down subsidiary)	Gabon	XAF	1st Jan 2021 31st Dec 2021	100%	0.1289	0.01	33.90	60.38	60.38	-	-	-	0.32	(2.91)	0.00	(2.91)	-

Notes:

1) Names of subsidiaries which are yet to commence operations - Nil

2) Indian rupee equivalent of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31st December 2021 / 31st March 2022.

3) The above statement does not include 28 controlled trust as the same is not as subsidiaries /associates/ joint venture company under Companies Act 2013.

Part "B" Joint Operations

	Name of Associates / Joint Operations	Afcons KPTL Joint venture	Strabag Afcons Joint venture	Ircon Afcons Joint Venture	Afcons Sener LNG Construction Projects Pvt. Ltd.	Afcons Gunanusa Joint Venture	Transtonnelstroy Afcons Joint Venture	Dahej Standby Jetty Project Undertaking	Afcons Sibmost Joint Venture	Afcons Pauling Joint Venture	Afcons Vijeta PES Joint venture	Afcons SMC Joint venture	Afcons Vijeta Joint venture	Afcons JAL Joint venture	Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd Joint venture	Afcons Vijeta Joint venture Zimbabwe
		Unincorporated JO	Unincorporated JO	Unincorporated JO	Incorporated JO (Refer Note 3)	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Partnership Firm (Refer Note 3)	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO
1	Reporting Period	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022	31st March 2022
2	**Shares of Associate / Joint operations held by the company on the year end**															
	No.	-	-	-	4,900	-	-	-	-	-	-	-	-	-	-	-
	Amount of Investment in Joint operations	-	-	-	49,000	-	-	-	-	1,74,00,000	-	-	-	-	-	-
	Extend of Holding %	51%	40%	47%	49%	100%	99%	100%	100%	95%	100%	100%	100%	100%	100%	100%
3	Description of how there is significant influence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Reason why the associate/Joint operation is not consolidated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crs)	4.20	25.91	0.45	(7.95)	(39.33)	(92.42)	0.92	27.80	1.74	0.05	34.95	5.99	2.64	(6.24)	(9.19)
6	**Profit / Loss for the year (₹ in Crs)**															
	i. Considered in Consolidation	0.26	2.58	(0.14)	(2.02)	(5.10)	12.14	(0.21)	4.13	-	(0.38)	14.29	1.59	0.39	(5.86)	(4.59)
	ii. Not considered in Consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1) Names of joint operations which are yet to commence operations - Afcons Sener LNG Construction Projects Pvt.Ltd.

2) Names of joint operations which have been liquidated or sold during the year - Nil

3) These entities are accounted in the Standalone/Consolidated Financial Statements in terms IND AS-110 & IND AS-111, however the same are not considered as subsidiaries /associates/ joint venture company under Companies Act 2013.

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AFCONS INFRASTRUCTURE LIMITED

Registered office: “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053
Tel.: +91 22 67191000, Fax: +91 2226730047, Website: www.afcons.com, CIN: U45200MH1976PLC019335

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	E-mail Id:
Folio No/ Client Id:	DP ID:
Registered address:	

I/We, being the member(s) of .... shares of the above named company, hereby appoint

1. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ………………………………………………………………………………..... Signature: ....

or failing him

2. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ………………………………………………………………………………..... Signature: ....

or failing him

3. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ………………………………………………………………………………..... Signature: ....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Forty-Sixth Annual General Meeting of the Company, to be held on Thursday the 29th September, 2022 at 4.30 p.m. at “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt:
   a. the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2022, the reports of the Board of Directors and Auditors thereon.
   b. the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2022 together with the Report of the Auditors thereon.
2. To confirm Interim dividend paid on the equity shares as Final dividend for the financial year 2021-22.
3. To declare dividend on Convertible Preference Shares of the Company.
4. To appoint a Director in place of Mr. Shapoor. P. Mistry (DIN - 00010114) who retires by rotation and being eligible offers himself for re- appointment.
5. To appoint a Director in place of Mr. K. Subramanian (DIN - 00047592) who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration No.117366W/W100018) as the Joint Statutory Auditors of the Company and to fix their remuneration.
7. To appoint Branch Auditor(s) of the Company.
8. To ratify the remuneration payable to the Cost Auditor for FY 2022-23.
9. To appoint Mr. David Paul Rasquinha (DIN - 01172654) as an Independent Director of the Company.
10. To vary the terms of remuneration of Mr. K. Subramanian (DIN - 00047592) Executive Vice Chairman of the Company for the remaining tenure of his appointment i.e. from 1st July 2022 to 30th June 2023.
11. To vary the terms of remuneration of Mr. S. Paramasivan (DIN - 00058445) Managing Director of the Company for the remaining tenure of his appointment i.e. from 1st July, 2022 to 30th June 2023.
12. To re-appoint and fix the remuneration of Mr.Giridhar Rajagopalan (DIN - 02391515) as whole-time Director designated as Deputy Managing Director of the Company for a term of 3 years i.e. from 01st July 2022 to 30th June 2025.
13. To vary the terms and conditions of 25,00,00,000 (Twenty Five Crores) 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores only) of the Company held by Goswami Infratech Private Limited.
14. To vary the terms and conditions of 10,00,00,000 (Ten Crores) 0.01% Non-Cumulative and Non- Profit Participatory Convertible Preference Shares having face value of ₹ 10/- each aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crores only) of the Company held by Floreat Investments Private Limited.
15. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores.

Affix Revenue Stamp

Signed this .... day of 2022

Signature of Member(s)... Signature of Proxy holder(s) ....

NOTES:

1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hour before the commencement of the Meeting.
2. For Resolution, Explanatory Statement and Notes, please refer to the notice of the Forty-Sixth Annual General Meeting.
3. A Proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

AFCONS INFRASTRUCTURE LIMITED

Registered office: “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053
Tel.: +91 22 67191000 Fax: +91 2226730047 /1031/0047, Website: www.afcons.com; CIN: U45200MH1976PLC019335

ATTENDANCE SLIP

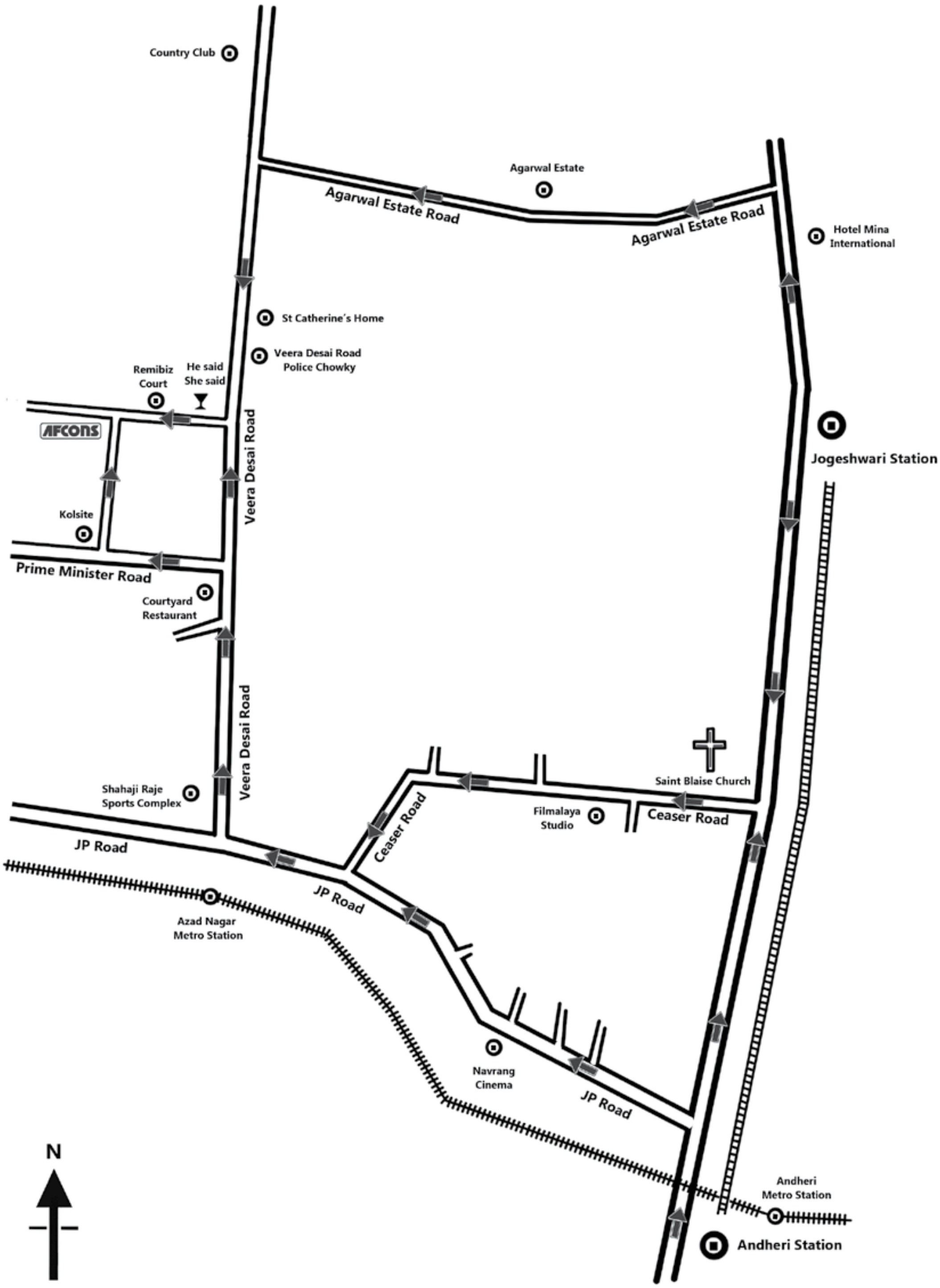
I hereby record my presence at the Forty-Sixth Annual General Meeting of the Company to be held at ‘Afcons House’, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Andheri (West), Mumbai- 400 053 on Thursday the 29th September, 2022 at 4.30 p.m.

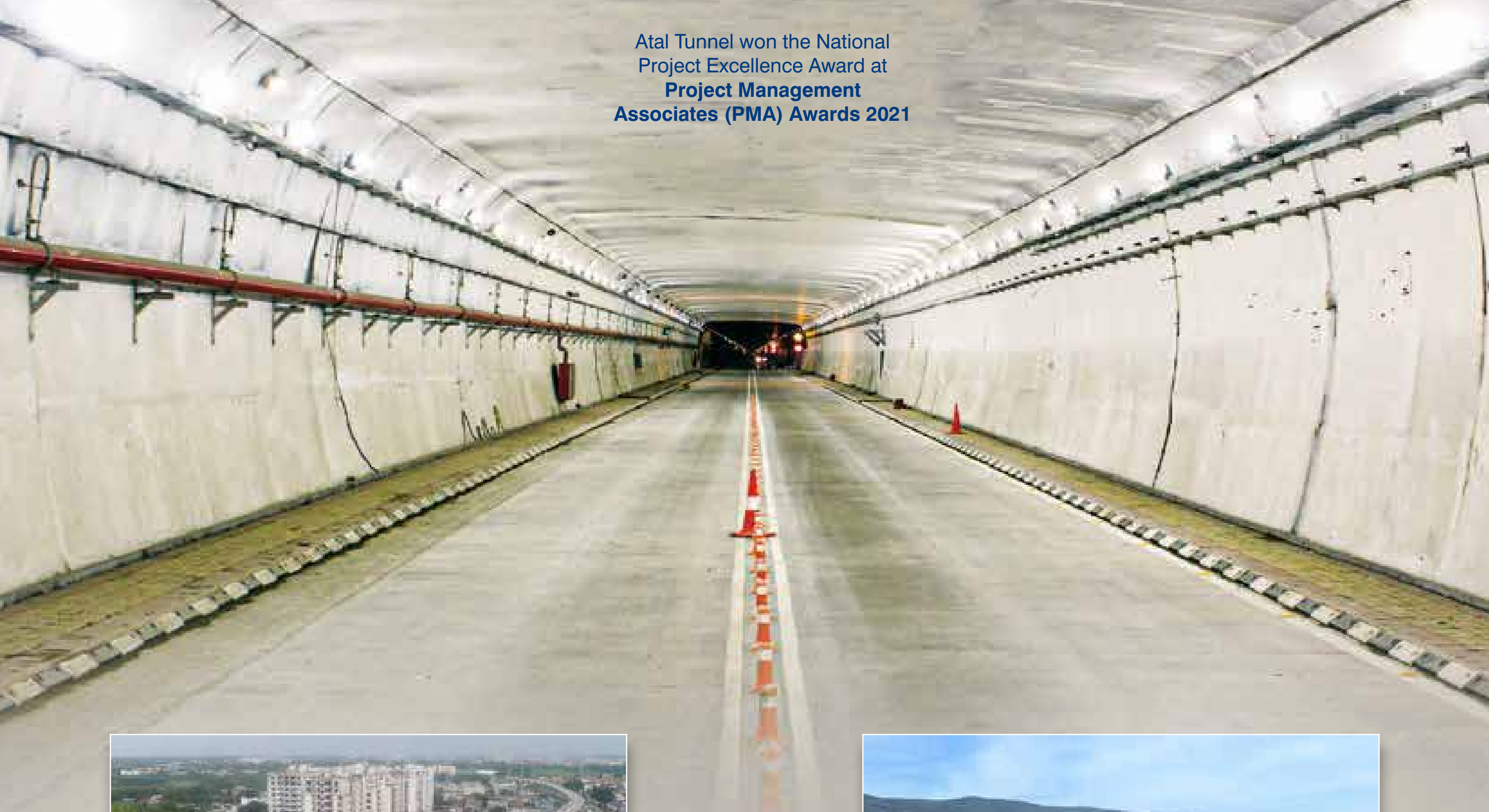
Full Name of the *Member/Proxy : ………………………………………………………………………..

Folio No. OR Client/DP ID No. : ……………………………....................... No. of Shares held : ………..…………………….............

* strike out whichever is not applicable. SIGNATURE OF THE *MEMBER/PROXY

ROUTE MAP TO THE AGM VENUE





Atal Tunnel won the National Project Excellence Award at **Project Management Associates (PMA) Awards 2021**

Kanpur Metro wins a double **CIDC Viswakarma Awards 2022**, **Excellence in Infrastructure & Civil Works** at Rail Analysis India Summit 2022

CII Award For Shrinivasa Setu
CII SR (Confederation of Indian industry-Souther Region) EHS Excellence Awards 2021 for excellence in EHS practice at Srinivas Setu Project in Tirupati

Bihar's MG setu is India's Longest Steel Bridge

AFCONS INFRASTRUCTURE LIMITED

A Shapoorji Pallonji Group Company

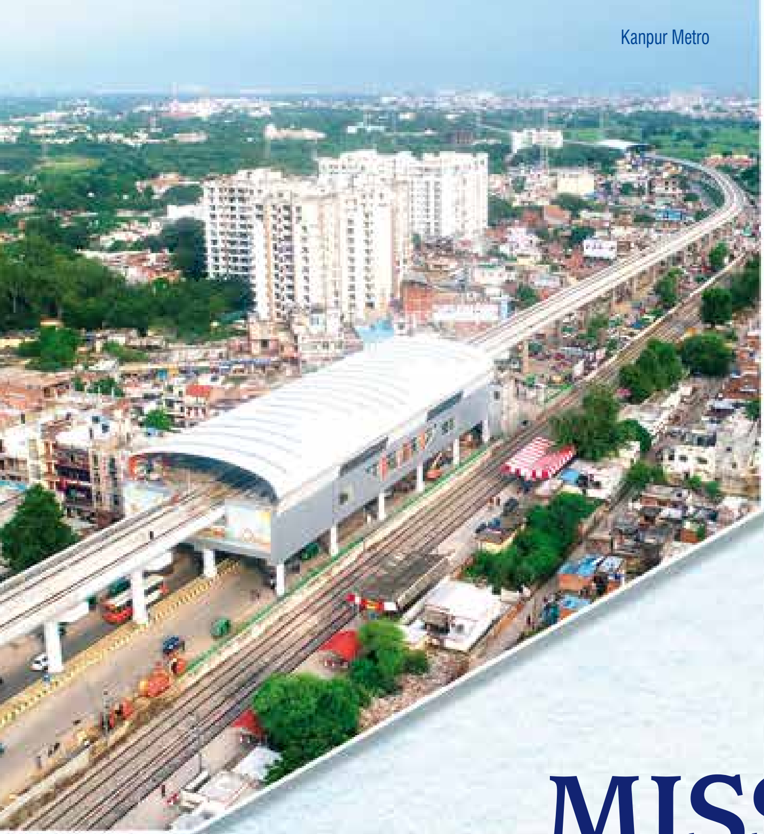
"Afcons House" 16, Shah Industrial Estate,
Veera Desai Road, Azad Nagar P. O.,
Andheri (West), Mumbai - 400 053
Tel: 67191000 • Fax: 26730047
Website: www.afcons.com
CIN: U45200MH1976PLC019335

CRYSTAL (022) 6614 0900 • Info@crystalforms.com

AFCONS

Shapoorji Pallonji

ANNUAL REPORT
2022-23

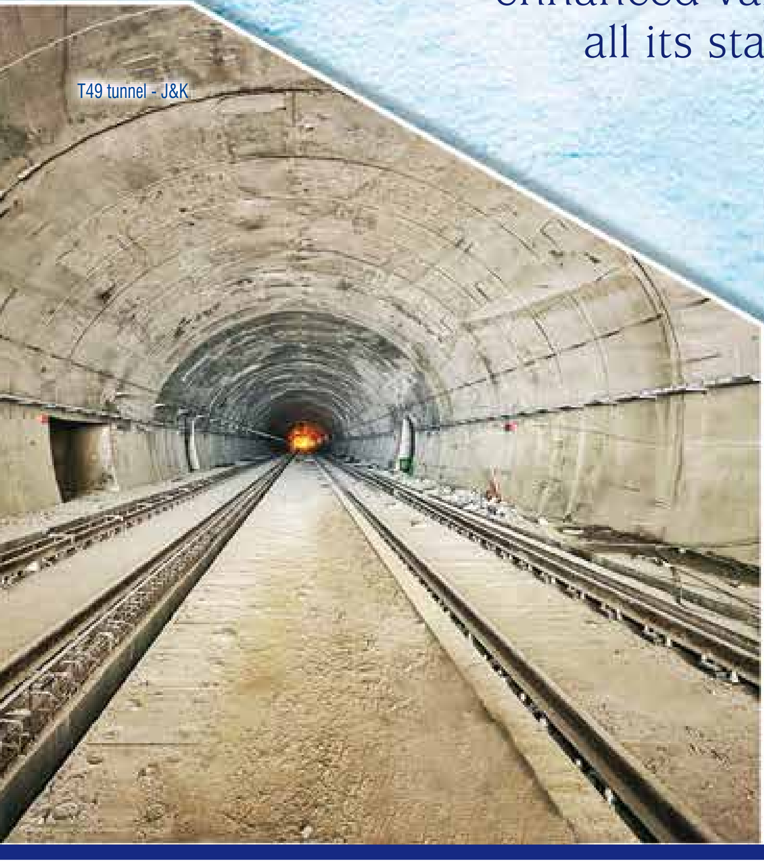


Kanpur Metro

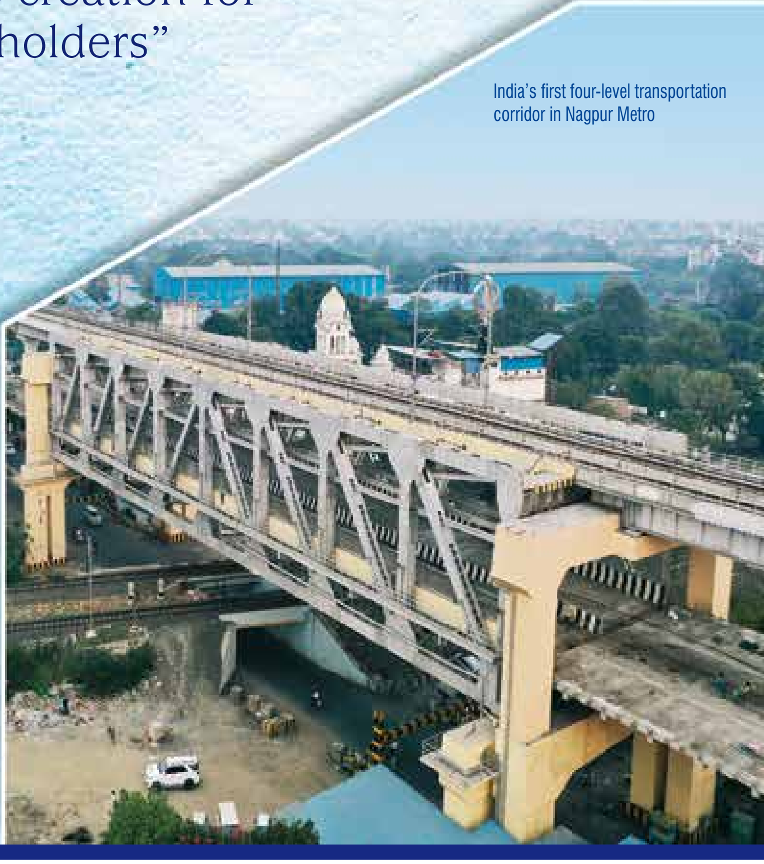
Ahmedabad UG Metro

MISSION

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



T49 tunnel - J&K



India's first four-level transportation corridor in Nagpur Metro

AFCONS INFRASTRUCTURE LIMITED

BOARD OF DIRECTORS

Mr. Shapoorji P. Mistry	:	Chairman, Non-Executive Director
Mr. K. Subramanian	:	Executive Vice Chairman Whole-Time Director
Mr. Pradip N. Kapadia	:	Independent Director
Mr. David P. Rasquinha	:	Independent Director (w.e.f. 07.07.2022)
Mr. Pallon S. Mistry	:	Non-Executive Director
Mr. Umesh N. Khanna	:	Non-Executive Director
Ms. Roshen M. Nentin	:	Non-Executive Director
Mr. S. Paramasivan	:	Managing Director
Mr. Giridhar Rajagopalan	:	Deputy Managing Director
Mr. Akhil Kumar Gupta	:	Executive Director (Operations) (upto 30.06.2022)
Mr. Nawshir D. Khurody	:	Independent Director (upto 26.09.2022)
Mr.Ramunni Menon Premkumar	:	Independent Director (upto 26.09.2022)

AUDIT COMMITTEE MEMBERS

Mr. Pradip N. Kapadia- Chairman
Mr. David P. Rasquinha (w.e.f 07.07.2022)
Mr. Umesh N. Khanna (w.e.f. 26.09.2022)

CHIEF FINANCIAL OFFICER

Mr. Ashok G. Darak (upto 15.03.2023)
Mr. Ramesh Kumar Jha (w.e.f. 16.03.2023)

COMPANY SECRETARY

Mr. Gaurang M. Parekh

AUDITORS

Deloitte Haskins and Sells LLP
Chartered Accountants
(ICAI Firm Registration No.117366W/W-100018)

HDS & Associates LLP, Chartered Accountants,
(ICAI Firm registration no. W100144)

REGISTERED OFFICE

"AFCONS HOUSE", 16, Shah Industrial Estate,
Veera Desai Road, Azad Nagar P.O.,
Andheri (West) Mumbai- 400 053
Website: www.afcons.com
CIN : U45200MH1976PLC019335

Forty-Seventh Annual General Meeting will be held on 4th August 2023 at 4.30 p.m. at "Afcons House" 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar P.O., Andheri (west), Mumbai – 400053.

BANKERS

State Bank of India
UCO Bank
Punjab National Bank
Axis Bank Ltd.
Bank of India
Bank of Baroda
BNP Paribas
ICICI Bank Ltd.
Standard Chartered Bank
Union Bank of India
Yes Bank Ltd.
HSBC Ltd.
Export Import Bank of India
Indian Bank
IDBI Bank Limited
DBS Bank India Ltd.
Indusind Bank Limited

REGISTRARS & SHARE TRANSFER AGENT

Cameo Corporate Services Limited
Subramanian Building,
1 Club House Road, Chennai-600002
Tel. no.: 044-28460390
Email id.: afcons@cameoindia.com

CONTENTS

AFCONS INFRASTRUCTURE LIMITED

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the Forty-Seventh Annual Report together with the Audited Financial Statements for the financial year ended 31st March 2023.

1. FINANCIAL RESULTS

Particulars	Consolidated		Standalone	
	₹ in Crores		₹ in Crores	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Total Income	12,844.09	11,269.54	12,683.50	10,792.51
Profit/(Loss) before Tax	599.08	406.55	623.02	283.04
Provision for Taxation	159.64	48.95	184.77	23.74
Excess/(short) provision for tax in respect of earlier years	28.58	-	28.58	-
Profit/(Loss) after Tax (before Minority Interest)	410.86	357.60	409.67	259.30
Minority Interest	(0.01)	1.25	-	-
Profit/ (Loss) for the year	410.87	356.35	409.67	259.30
Balance brought forward from previous years	2,059.79	1,695.13	1,640.73	1,373.12
Other items classified to other comprehensive income	(2.10)	(10.20)	(2.10)	(10.20)
Other Adjustment	(10.85)	-	-	-
Profit available for Appropriation	2,457.71	2,041.28	2,048.30	1,622.22
Less: Appropriation				
(i) Interim Dividend on Equity	-	25.19	-	25.19
(ii) Dividend on Preference Shares	0.05	0.05	0.05	0.05
(iii) Tax on Dividend	-	-	-	-
(iv) Transferred to/(from) Debenture Redemption Reserve	-	(43.75)	-	(43.75)
Balance Carried Forward to Balance Sheet	2,457.66	2,059.79	2,048.25	1,640.73

2. OPERATIONS

(a) Standalone Results

Your Company has achieved total income of ₹ 12,683.50 Crores for the year compared to the previous year's ₹ 10,792.51 Crores showing increase of 17.52%. The Profit before Tax for the year was ₹ 623.02 Crores compared to ₹ 283.04 Crores in the previous year resulting in increase of 120.12%. The Profit after Tax for the year was ₹ 409.67 Crores compared to ₹ 259.30 Crores in the previous year resulting in an increase by 57.99%.

(b) Consolidated Results

Your Company achieved total income of ₹ 12,844.09 Crores for the year compared to the previous year's ₹ 11,269.54 Crores showing an increase of 13.97%. The EBIDTA for the year was ₹ 1,373.80 Crores compared to ₹ 1,068.59 Crores in the previous year resulting in an increase by 28.56%. The Consolidated Profit before Tax for the year was ₹ 599.08 Crores compared to ₹ 406.55 Crores in the previous year resulting in an increase of 47.36%. The Consolidated Profit after Tax for the year was ₹ 410.86 Crores compared to ₹ 357.60 Crores in the previous year resulting in an increase by 14.89%. All intercompany transactions are netted out at the time of consolidation and hence, the profits and revenues are reduced to that extent.

Your Company's Order book as on 31st March, 2023 stood at ₹ 30,406 Crores.

(c) There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

(d) During the year under review, the following major works were completed:

i. Replacement of Superstructure of Existing 5.575 Km Long 4 lane M G Setu over Ganga River, Bihar, of Government of India MoRT&H awarded to the joint venture of the Company with OJSAC Sibmost.

ii. Construction, completion and maintenance of roads, bridges, rainwater and sewage and other services to parts of Sheikh Jaber Al-Ahmad Al-Sabah road including adjacent sectors of the 6th ring road and King Fahd bin Abdul Aziz road, Kuwait of Ministry of Public works, State of Kuwait.

iii. Engineering, Procurement, Supply and Construction of Dry Bulk Cargo Terminal Works for Phase 1 & 2 at San Pedro, Ivory Coast of Terminal Industrial Polyvalent de San Pedro (TIPSP) awarded to Afcons Overseas Singapore Pte. Ltd. (subsidiary of the Company).

iv. Construction of River Training and Embankment Works, Phuentsholing, Township development Project (PTDP), Bhutan of Construction Development Corporation Limited (CDCL) Trimphu, Bhutan.

v. Early works project at Buchanan, Liberia of Arcelor Mittal Liberia Limited.

vi. Provision of civil works for Construction of Outfitting cum trials jetty at SBC(V), Visakhapatnam.

vii. Construction of balance works in Seven numbers Elevated Metro Stations including E&M works and PD area balance works excluding viaduct in Reach-2 of Nagpur Metro Rail Project.

viii. Completion of Balance Works for Rehabilitation of the Chalinze Water Treatment Plant, Supply and Installation of Secondary and Tertiary Distribution Network and Construction of Reservoirs in Chalinze Village, Zanzibar of Zanzibar Water Authority awarded to the joint venture of the Company & Vijeta Projects & Infrastructures Limited.

ix. Design, Procurement, Supply, and Construction of Vehicular Underpass at Reliance, Jamnagar between Reliance Greens (Township) and Refinery Complex over SH-25 of Reliance Industries Limited, Jamnagar.

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

i. EPC works for construction and commissioning of Water Supply Schemes at Kilwa- Masoko and Nanyumbu Towns - Package 02, at Tanzania of The Permanent Secretary, Ministry of Water, awarded to Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd JV, of which Company share is ₹ 269 Crores.

ii. Construction, testing and commissioning of Water supply schemes at Kayanga, Chato and Geita Town-Package 06, at Tanzania of The Permanent Secretary, Ministry of Water, awarded to Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd JV, of which Company share is ₹ 741 Crores.

iii. EPC contract of the By-Pass Road for the new Liberville International Airport located in Republic of Gabon of Gabon Special Economic Zone Airport SA being executed through Afcons Construction Mideast LLC (wholly owned subsidiary of the Company) of ₹ 274 Crores.

iv. EPC Contract relating to the Airside and Landside Infrastructure of the new Libreville International Airport located in the Republic of Gabon for Gabon Special Economic Zone Airport SA being executed through Afcons Construction Mideast LLC (wholly owned subsidiary of the Company) of ₹ 441 Crores.

v. Upgrading of the drinking water supply in Gueyo and its Surrounding area – Lot 1 in Ivory Coast for L'Office National de l'Eau Potable (ONEP) of ₹ 278 Crores.

vi. Turnkey execution of Basania Multipurpose Dam Project (84m high) - 100 MW Power House, Switchyard and Pressurised piped distribution network including 3 nos. pumphouse works to irrigate Culturable Command Are of 8780 Ha with SCADA full automation etc. complete in all respect at Dist. Mandla, Madhya Pradesh for Narmada Valley Development Authority, Govt. of Madhya Pradesh awarded to Afcons – Hindustan JV, of which Company share is ₹ 1,676 Crores.

vii. Shipping agreement for transportation of Rock for Breakwater at Chhara port for Simar Port Private Limited of ₹ 65 Crores.

viii. CP001B Material Handling Installation System, Liberia for ArcelorMittal Liberia Ltd of ₹ 274 Crores.

ix. CP002B-1, Structural, Mechanical & Plate works (SMP) at Liberia for ArcelorMittal Liberia Ltd. of ₹ 547 Crores.

x. Turnkey execution of Raghavpur Multipurpose Dam Project with operation and Maintenance of Dam, Power House with all ancillary works, piped irrigation system to supply water through pressurized pipeline system for Narmada Valley Development Authority, Govt. of Madhya Pradesh awarded to Afcons – Hindustan JV, of which Company share is ₹ 622 Crores.

xi. Expansion of Private Railway Siding between JSP Angul and A-Cabin Angul by doubling, providing additional yards and build line from Plant Yard to Kerejenga on BOQ Item rate basis for Jindal Steel Orissa Limited of ₹ 257 Crores.

xii. Civil Works of Module Factory at Reliance Jamnagar for Reliance Industries Ltd. of ₹ 60 Crores.

xiii. Civil Works of Module Factory at Reliance Jamnagar for Reliance New Solar Energy Ltd. of ₹ 11 Crores.

xiv. Engineering, Procurement, Construction, Testing, Commissioning, Trial Run and Operation & Maintenance of various Components of Jabalpur Multi-Village Scheme, District Jabalpur in Madhya Pradesh on 'Turn-Key Job Basis' including Trial Run and Operation & Maintenance of the Entire Water Supply Scheme for 10 Years for Madhya Pradesh Jal Nigam Maryadit of ₹ 957 Crores.

xv. EPCC/LSTK work for crude oil terminal (COT) and Associated facilities at Mundra, Gujarat (EPCC-11) for Rajasthan Refinery Project, Barmer, Rajasthan, India for HPCL Rajasthan Refinery Limited of ₹ 1,341 Crores.

xvi. UG piping fabrication & laying including associated civil works for Train 1 (5 GW), PV Manufacturing Complex at Reliance Jamnagar for Reliance New Solar Energy Ltd. of ₹ 109 Crores.

(f) Projects bagged subsequent to the Financial Year 31st March 2023:

i. Construction of Tunnelling works between Mumbai underground station and Shilphata (Package MAHSR-C-2), in the Mumbai-Ahmedabad High Speed Rail project of National High Speed Rail Corporation Limited of ₹ 5,422 Crores.

ii. Construction works for Rehabilitation and Upgradation of potable water system in Yendi, Republic of Ghana, of Ghana Water Company Limited of ₹ 233 Crores.

iii. Design and Construction works for Treated Water Tunnel and allied works from Water treatment plant at Raigad District (Package -I) by City and Industrial Development Corporation of Maharashtra Limited (CIDCO) of ₹ 741 Crores.

3. CREDIT RATING

During the year, ICRA has assigned the Company the long term rating of "A+ (Stable)" and short term rating of "A1".

4. DIVIDEND

(a) The Board of Directors of the Company recommends for approval of members at the ensuing Annual General Meeting, payment of dividend of ₹ 4 (Rupees four only) [40%] per equity share of the face value of ₹ 10 (Rupee Ten only) each to the members of the Company out of the Profits for the financial year ended 31st March 2023. The dividend, if approved by the members at the ensuing Annual General Meeting, will involve a dividend outlay of ₹ 28,78,80,952/- (Rupees Twenty-Eight Crore Seventy Eight lakh Eighty thousand Nine hundred Fifty Two only). The said dividend would be paid to those members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e. Friday, 28th July, 2023.

(b) The Directors recommend, for approval of members at the ensuing Annual General Meeting, the payment of dividend @ 0.01% on the Convertible Preference Shares of the Company. The dividend, if declared, would involve a total outflow of ₹ 4,50,000/- (Rupees Four lakh Fifty thousand only).

(c) Pursuant to the relevant provisions of the Income Tax Act, 1961 **("the IT Act"),** dividend income is taxable in the hands of the members and the Company is required to deduct tax at source from dividend paid to the members at rates prescribed in the IT Act.

5. SHARE CAPITAL

(a) During the year under review, there was no change in the Company's paid-up share Capital. The total paid-up share capital of the Company as on 31st March, 2023 stood at ₹ 521.97 Crores.

(b) Goswami Infratech Private Limited **("GIPL")** is the holder of 25,00,00,000 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory, Preference Shares having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty crores only) of the Company **("CCPS")**. GIPL has requested the Company to vary the terms of the CCPS as detailed in the notice of the Annual General Meeting. Pursuant to the said request of GIPL and in terms of section 48 of the Act and Rules made thereunder, consent of the members is being sought at this Forty-Seventh Annual General Meeting to the said variation of terms of CCPS.

6. SUBSIDIARIES / ASSOCIATE / JOINT VENTURE

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

(b) During the year under review, your Company has acquired 51% Shareholding of Afcons Construction Mideast LLC. Pursuant to the said acquisition of shareholding, Afcons Construction Mideast LLC is a wholly-owned Subsidiary of the Company.

(c) Pursuant to the provisions of section 129(3) of the Companies Act, 2013, ("**Act**") and other applicable provisions, if any of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 a statement containing salient features of the financial statements of the Company's subsidiaries, associate company and joint venture in **Form AOC-1** is attached to financial statement of the Company. Pursuant to the provision of section 136, copy of separate financial statements of subsidiaries will be made available upon request of any Member of the Company who is interested in obtaining the same.

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

(e) There are no material changes in the nature of business of the Company or any of its subsidiaries or associates.

7. CORPORATE GOVERNANCE

Your Company, being a value driven organization, believes in coherent and self-regulatory approach in the conduct of its business to achieve the highest levels of good corporate governance practices. A report on Corporate Governance forms part of this Annual Report. The details of Committees of the Board, their composition, terms of reference and details of such committee meetings held are provided in the Corporate Governance Report.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, is presented in a separate section which forms part of this Annual Report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

(a) During the year under review, Mr. Akhil Kumar Gupta (DIN: 03188873) Executive Director (Operations) ceased to be associated with the Company w.e.f. 30th June, 2022 (end of the business working hours).

(b) The second term of appointment of Mr. Nawshir D. Khurody (DIN: 00007150) and Mr. R. M. Premkumar (DIN: 00328942) as an Independent Director of the Company expired on 26th September 2022. Accordingly, Mr. Nawshir D. Khurody and Mr. R. M. Premkumar ceased to be the Directors of Company w.e.f. 26th September 2022.

Mr. Nawshir D. Khurody was the Chairman of Audit Committee, Nomination and Remuneration Committee and Committee of Directors upto 26th September 2022. Pursuant to expiry of the second term of appointment of Mr. Nawshir D. Khurody, the Board at its meeting held on 26th September 2022 has appointed Mr. Pradip N. Kapadia as the Chairman of the Audit Committee and Nomination and Remuneration Committee. Also, Mr. S. Paramasivan was appointed as the Chairman of the Committee of Directors.

(c) Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 7th July, 2022 appointed Mr. David Paul Rasquinha (DIN: 01172654) as an Additional Director (Independent & Non-Executive) of the Company w.e.f. 7th July 2022. Further his appointment as an Independent Director, not liable to retire by rotation, for a term of Five (5) consequent years effective from 7th July 2022 and upto 6th July 2027 was approved by the members of the Company at the Forty-Sixth Annual General Meeting.

(d) Pursuant to the recommendation of the Nomination and Remuneration Committee and subject to Member's approval at the ensuing Annual General Meeting, the Board of Directors of the Company at its meeting held on 16th June, 2023 have re-appointed. Mr. K. Subramanian (DIN: 00047592) as Executive Vice Chairman, and Mr. S. Paramasivan (DIN: 00058445) as the Managing Director for a further period of Three (3) years with effect from 1st July 2023 and upto 30th June 2026.

(e) At the Forty-Sixth 46th Annual General Meeting held on 29th September, 2022, the members of the Company had re-appointed and fixed the remuneration of Mr. Giridhar Rajagopalan (DIN: 02391515) as Deputy Managing Director for a period of Three (3) years from 1st July, 2022 to 30th June, 2025. The Company is in process of implementing National Pension Scheme and is in the process of providing option to the existing employee to switch their contribution from Superannuation fund to NPS. Accordingly, pursuant to the recommendation of the Nomination and Remuneration Committee and subject to approval of the members at the ensuing Annual General Meeting, the Board of Directors at its meeting held on 16thJune, 2023 have varied the part b (iii) of the terms of remuneration of Mr. Giridhar Rajagopalan providing him an option to exercise NPS instead of contribution to Superannuation Fund for the remaining tenure of his appointment i.e. from 1st July, 2023 to 30th June, 2025. All other terms of appointment and remuneration of Mr. Giridhar Rajagopalan as approved by the members at the aforesaid Forty-Sixth Annual General Meeting remain unchanged.

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

(g) Pursuant to the resignation of Mr. Ashok Ghanshyam Darak, Chief Financial Officer of the Company, he has ceased to associated with the Company w.e.f. 15th March 2023 (end of business working hours). On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 14th March 2023 have appointed Mr. Ramesh Kumar Jha as the Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. 16th March 2023.

(h) Information as required under the Companies Act,2013 and the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of appointment of Directors seeking appointed / reappointed at this Annual General Meeting is disclosed in the Notice of the said Annual General Meeting.

10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration and other matters provided in section 178(3) of the Act is posted on the website of Companies at https://www.afcons.com/sites/default/files/2022-05/NRC%20POLICY%20OF%20AFCONS.pdf. Kindly refer to the heading "Nomination and Remuneration Committee" in the Corporate Governance Report for matters relating to constitution, meetings, functions of the Committee and salient features of the Policy.

11. STATEMENT ON EVALUATION OF PERFORMANCE OF DIRECTORS

Pursuant to the provisions of the Act, the Board has carried out the annual performance evaluation of its own performance, Board Committees and that of Individual Directors of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors The Directors expressed their satisfaction with the evaluation process.

12. DECLARATION FROM INDEPENDENT DIRECTORS

The Board has received declarations from the Independent Directors as per the requirement of section 149(7) of the Act, that there has been no change in the circumstances which may affect their status as independent director during the year and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in section 149(6) of the Act.

13. MEETINGS OF BOARD

Nine (9) meetings of the Board were held during the financial year. The details of the meetings of the Board, are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134 of the Act, your Directors hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the Directors had prepared the annual accounts on a going concern basis; and

v. 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.

15. QUALITY, HEALTH, SAFETY & ENVIRONMENT

The Company firmly believes that the pursuit of excellence is one of the most critical components for competitive success. With Quality, Health, Safety & Environment being an essential part of the Company's policy, it strives to deliver services by maintaining the highest level of Quality, Health, Safety & Environmental Standards.

The policy of the Company is to conduct its construction business through an established Quality, Health, Safety & Environmental (QHSE) Management System, which aims to achieve customer satisfaction and, in the process, a continual improvement of Company's competencies and competitiveness.

The Company is certified for ISO 9001:2015 for Quality management System, ISO: 14001:2015 & ISO 45001:2018 for Occupational Health, Safety & Environment Management System. All the three systems are well established, documented, implemented and maintained across the Company.

The Company has a commendable record in terms of safety at our various project sites and has received awards as well as appreciation letters from some of our clients, domestic and international associations which are detailed below:

(a) <u>International Safety Awards:</u>

i. **British Safety Council has awarded International Safety Awards for the following three project sites of the Company for the year 2022.**

- Offshore Process Platform (Oil & Gas)
- NCRTC – PKG 6
- NCRTC – PKG 8

(b) <u>National Safety Awards:</u>

1. Ahmedabad Metro (Elevated) Project (C1 - Phase-II Package) was conferred with the following awards;
   a) Environment Management Construction excellence award by OHS India
   b) State level ESG Excellence Award by Global Safety Summit
2. Ahmedabad Metro (UG) Project Phase 1, UG1 Package) was conferred with the following awards;
   a) HSE Excellence in metro rail at the 6th India HSE summit
   b) Zero-harm implementation safety culture from the Forum of Behavioral Safety
   c) Four Golden Star Safety Rating Award 2022 from NSCI
   d) Safety Innovation Award 2022 by the Institution of Engineers (India)
3. Katra Dharam Bridge project was conferred with the following awards;
   a) HSE Excellence in metro rail at the 6th India HSE summit
   b) Best Health & Safety Practice Award by Confederation of Indian Industry (CII)
   c) Kalinga Safety Excellence Award (Platinum) for 2021 at the 13th National Safety Conclave
4. Kanpur Underground Metro (UG2 – KNPCC-06) project received Excellence in Waste Management Award and the Sustainability Champion Award at the India Green Awards
5. Delhi-Meerut RRTS Package-6 project received the Best Overall Safety Performance in 2022, from NCRTC.
6. Bangalore Metro project (BMRCL RT01) received four-star rating trophy from World Safety Forum.
7. KRCL project received Best Health & safety Practice award from CII (Northern region).
8. Butibori Workshop, Nagpur has won the award 'For Longest Accident Free Period in Construction Group' and 'For Lowest Accident Frequency Rate in Construction Group' at Maharashtra Safety Awards 2021

These awards are reflections of the strict HSE standards being followed and implemented at worksite and the commitment of the Company's management towards Quality, Health, and Safety & Environment.

16. **AWARDS AND RECOGNITIONS**

a. Mr. K Subramanian, Executive Vice Chairman has been conferred with the degree of Doctor of Letter (D. Litt. Honoris Causa) by the Kalinga Institute of Industrial Technology (KIIT) as a recognition of his valuable contribution to society in field of Infrastructure Development, Corporate leadership and his outstanding achievements at various national and international forums.

b. Mr. K Subramanian, Executive Vice Chairman was honored with 'Outstanding Personality' award at the 2022 Samaj Shakti Awards.

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

a. Most Innovative Knowledge Enterprise (MIKE) Award at Global, Asia and India levels in 2022 for Knowledge Management practices of the Company for the Seventh year in a row.

b. Construction Week India Awards 2022 has conferred on the Company as Construction Contractor of the year.

c. Atal Shastra Markenomy – Most Global Valuable Company in Infra Construction & EPC In India' Award at the 7th Atal Shastra Markenomy Awards 2022.

d. IEI Industry Excellence Award 2022 for 'Outstanding performance with a high order of business excellence' during the 37th Indian Engineering Congress.

e. Ambition Box Best Places to Work Award 2022, was conferred to the Company as it has ranked among top 15 companies in Mid-sized Companies category.

f. Kanpur Metro Project (Priority Corridor) was awarded the "Outstanding Contribution in Urban Infrastructure" at 9th EPC World Awards.

g. Civil Engineering & Construction Review (CE&CR) Magazine has conferred award for safe construction practices in India's deepest Metro Ventilation Shaft, constructed in Kolkata, for the East West Metro.

h. Kanpur Metro Project has been awarded with excellence in Concrete Construction Award in Infrastructure category.

i. 2nd Urban Infra Business Summit & Awards 2022 was conferred on the Company for Excellence in Rail & Metro Project Execution (EPC & Construction category).

j. RA 256 Road Project in Kuwait was awarded the International Project of the Year award at Construction World Global Awards 2022.

k. Ahmedabad Metro project (C1 - Phase-II Package) has been awarded Excellence in employee Competence Award in Construction sector at the 8th OSH India Awards 2022

l. Kanpur Elevated Metro Project (Priority Corridor) has been awarded the outstanding Concrete Structure award at the Indian Concrete Institute (Lucknow) – Ultratech Endowment Awards 2022.

m. Best Executed Expressway Project of the Year Award at the Construction times Award 2023 for the Package-2 of Maharashtra Samruddhi Mahamarg.

n. CIDC Vishwakarma Awards 2023 has conferred Construction Project Award for Mahatma Gandhi Setu in Patna.

o. 7th StratComm India Summit & Awards 2022 has conferred award for most innovative use of Content Marketing in online video campaign. Company has now won at the StratComm Awards for two years in a row.

p. Fulcrum Awards 2022 has conferred Silver award in best use of Content category for Companies video campaign on the arch closure of Chenab Railway Bridge.

q. Public Relations Council of India (PRCI) Excellence Awards 2022 has conferred Six Awards to the Company in the following categories:

    i. Platinum in Corporate Films

    ii. Crystal in Best Use of Media Relations

    iii. Crystal in House Journal (English)

    iv. Gold in Best Use of Content

    v. Gold in Digital Newsletter

    vi. Gold in Website of the Year

r. Mr. Bivabasu Kumar has been conferred Chanakya Award for Excellence in Corporate Reputation at 16th Global Communication conclave.

17. AUDITOR AND AUDITOR'S REPORT

(a) STATUTORY AUDITORS AND THEIR REPORT

i. The Audited Standalone and Consolidated Financials of the Company for the financial year 2022-23 along with the Auditors report have been approved by Audit Committee and Board of Directors of the Company at their respective meetings held on 16th June 2023. The Statutory Auditor's Report of the Company for financial year 2022-23 does not contain any qualification.

ii. Deloitte Haskins and Sells LLP, Chartered Accountants (ICAI Firm Registration No.117366W/W-100018) **("DHS")** have been appointed as one of the Joint Statutory Auditors of the Company for a first term of five years effective from the Forty-Sixth (46th) Annual General Meeting held on 29th September, 2022 till the conclusion of the Fifty-First (51st) Annual General Meeting to be held in the calendar year 2027. DHS have provided their respective consents, certificates and declarations as required under Section 139 and 141 of the Act and Companies (Audit and Auditors) Rules, 2014.

iii. HDS & Associates LLP, Chartered Accountants (ICAI registration no. W100144) **("HDS")** have been appointed as one of the Joint Statutory Auditors of the Company for a second term of five years effective from the Forty-Fifth (45th) Annual General Meeting held on 27th September, 2021 till the conclusion of the Fiftieth (50th) Annual General Meeting to be held in the calendar year 2026. HDS have provided their respective consents, certificates and declarations as required under Section 139 and 141 of the Act and Companies (Audit and Auditors) Rules, 2014.

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

(b) SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Parikh Parekh & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2022-23. The Report of the Secretarial Auditor is enclosed as **Annexure I** to this Board Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remark.

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

(c) COST AUDITOR

In terms of section 148 of the Act, read with Companies (Cost records and audits) Rules, 2014, as amended, your Company is covered under the ambit of mandatory cost audit.

On the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s. Kishore Bhatia & Associates, Cost Accountant (Firm Registration no. 00294) as the Cost Auditors, to carry out the cost audit for the Company in relation to the financial year from 2023-24. The Company has received consent from M/s. Kishore Bhatia & Associates for their re-appointment.

The members consent is sought at the ensuing Annual General Meeting for ratification of the remuneration of the Cost Auditor for the financial year 2023-24.

18. INTERNAL FINANCIAL CONTROLS

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

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under section 133 and other applicable provisions, if any, of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable.

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

Pursuant to the provisions of Section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 **("the Rules")** and other applicable provisions if any, the Company is required to transfer the amount of unclaimed/unpaid dividend lying with the Company to Investor Education and Protection Fund ("**IEPF**") established by the Central Government. Also, the shares in respect of which dividend is unclaimed for 7 consecutive years, is required to be transferred to IEPF Authority.

The Company has been regularly sending communications to Shareholders whose dividends are unclaimed, requesting them to provide/update bank details with RTA/Company, so that the dividends paid by the Company are credited to their account on time. Also, all efforts have been made by the Company in co-ordination with the Registrar to locate the shareholders who have not claimed their dividend.

Despite several reminders to the shareholders vide registered post at their registered postal addresses and also through newspaper advertisements calling upon the shareholders to claim their unclaimed dividends, there were 31 shareholders who haven't claimed dividend aggregating to ₹ 30,300/- (Rupees Thirty Thousand Three Hundred only) for the financial year 2015-16 and which remained unclaimed for seven years as on 25th April, 2023. Hence, the aforesaid unclaimed dividend of ₹ 30,300/- have been transferred to IEPF Authority.

The concerned equity shareholders can claim their aforesaid unclaimed dividend along with the dividend(s) by making an application to IEPF Authority in accordance with the procedure available on www.iepf.gov.in and on submission of such documents as prescribed under the IEPF Rules.

20. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Conservation of energy

Whenever you save energy, you not only save money, you also reduce the demand for such fossil fuels as coal, oil, and natural gas. Less burning of fossil fuels also means lower emissions of gases such as CO2, CO, HFC etc., the primary contributor to global warming, and other pollutants.

i. The Company is continuing its effort to convert all sites from fossil power to grid power thereby minimizing the carbon footprint. This has been implemented to all sites as per feasibility. The total conversion of fossil power of 85MVA by Grid power of 38.5MVA considering the sites. The reduction GHG (Green House Gas) emission by 39917 tonnes.

ii. The steps taken by the Company for utilizing alternate sources of energy - **NIL**

iii. The capital investment on energy conservation equipment - **NIL**

(b) Technology absorption

1. KWH meter become mandatory in all new and old panels installed at site to monitor energy consumption parameter, the work is in progress.

    i. Automatic power factor correction panels installed at all sites where grid power is available used for maximum utilization of Energy.

    ii. At project sites and Corporate office, we have started implementing LED light fixtures for Area lighting & office area instead of Fluorescent Light fixtures

    iii. All sites started using 4 star and 5 star air conditioning system to minimise Energy consumption.

2. Imported technology (imported during the last three years reckoned from the beginning of the financial year) – **NIL**

(c) FOREIGN EXCHANGE EARNING AND OUTGO (Standalone)

(₹ in Crores)

	Current year	**Previous year**
Earnings	3,608.27	3,414.05
Outgo	3,759.94	3,077.47

21. PARTICULARS OF LOANS GUARANTEES OR INVESTMENTS

The Company is exempt from the provisions of Section 186 of the Act, except sub-section (1), pertaining to loans, guarantees and securities as the Company is engaged in the business of providing infrastructure facilities. In view of non-applicability of section 186 of the Act, the details required to be made thereunder in the financial statements are not applicable in relation to loans made, guarantees given or security(ies) provided. The investments covered under the provisions of section 186 of the Act, are disclosed in the financial statements.

22. RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year 2022-23 were on an arm's length basis and were in the ordinary course of business. All related party transactions are placed before the Audit Committee for approval.

In terms of section 134(3)(h) read with section 188(2) of the Act, there are no material related party transactions entered by your Company during the year, that individually or taken together with previous transactions during a financial year, exceed the prescribed limits under Rule 15(3) of Companies (Meeting of Board and its Powers) Rules, 2014, as amended. Accordingly, there being no information to be disclosed in AOC-2 format, the same is not enclosed. The disclosure of related party transactions is made in the financial statements of the Company.

23. EXTRACT OF THE ANNUAL RETURN

The Annual Return of the Company as on 31st March 2023 in Form MGT - 7 in accordance with section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at https://www.afcons.com/sites/default/files/2023-06/Form%20MGT-7%20for%20FY%202022-23_compressed.pdf

24. VIGIL MECHANISM POLICY

In accordance with section 177(9) of the Act, read with rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Company has established a Vigil Mechanism Policy to provide a framework for responsible whistle blowing and for adequate safeguards against victimization of persons who use such mechanism. The said vigil mechanism policy is available on the website of the Company at https://www.afcons.com/sites/default/files/2022-10/Vigil%20Mechanism%20Policy%2026.09.22.pdf

25. RISK MANAGEMENT

The Company has in place a Risk Management Committee to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business and to ensure sustainable business growth with stability. The Company has formulated and implemented a Risk Management Policy. There is no risk identified which in the opinion of the Board may threaten the existence of the Company.

26. CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. The Company has framed Corporate Social Responsibility (CSR) Policy. A brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the financial year is enclosed as **Annexure II** to this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at https://www.afcons.com/sites/default/files/2021-06/CSR%20Policy%2028.05.2021.pdf

27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place policy for protection of the rights of Women at Workplace. An Internal Complaints committee has also been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act. During the year under review, no complaints pertaining to sexual harassment were received by the Company.

28. OTHER DISCLOSURES/REPORTING

a) No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Buyback of shares.
- Scheme of provision of money for the purchase of Company's own shares by employees or by trustees for the benefit of employees
- Employee Stock Options Scheme.
- Invitation or Acceptance of fixed Deposit from public or shareholders
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither the Managing Director nor the Whole-Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

b) There are no significant and material orders passed by the regulator or courts or tribunal impacting the going concern and its operation in future.

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

29. ACKNOWLEDGEMENT

Your Directors would like to acknowledge with gratitude the continued support and co-operation received by the Company from its Clients, Bankers, Financial Institutions, Government authorities, Employees and its valued Investors.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

	K. Subramanian	**S. Paramasivan**
Place: Mumbai	**Executive Vice Chairman**	**Managing Director**
Date: 16th June, 2023	**Din: 00047592**	**Din: 00058445**

Annexure I to Boards' Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

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

To,

The Members,

Afcons Infrastructure Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Afcons Infrastructure Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2023 according to the applicable provisions of:

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

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)

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

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period) and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:-

   1. Contract Labour (Regulation and Abolition) Act, 1970

   2. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

   3. Contract Labour (Regulation and Abolition) central rule, 1971

We have also examined compliance with the applicable clause of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings which have been complied by the Company.

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

We further report that:

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

Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Parikh Parekh & Associates
Company Secretaries
Signature:

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: **
PR No.: 723/2020

Place: Mumbai
Date: 16th June, 2023

**Due to technical issues on the ICSI UDIN Portal, the UDIN could not be generated.

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

'Annexure A'

To,

The Members

Afcons Infrastructure Limited

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

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

For Parikh Parekh & Associates
Company Secretaries
Signature:

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: **
PR No.: 723/2020

Place: Mumbai
Date: 16th June, 2023

**Due to technical issues on the ICSI UDIN Portal, the UDIN could not be generated.

Annexure II to Boards' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **Brief outline on CSR Policy of the Company**

   Afcons' CSR Policy aims at implementing its CSR activities in accordance with section 135 of the Companies Act, 2013 and the Rules thereunder. The CSR Committee periodically reviews the implementation of the CSR activities of the Company. The CSR Policy is available on the website of the Company at www.afcons.com and the web link: https://www.afcons.com/sites/default/files/2021-06/CSR%20Policy%2028.05.2021.pdf

2. **The Composition of the CSR Committee**:

Sl. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee	
			Held during the year	Attended during the year
1.	Mr. K. Subramanian	Executive Vice Chairman	2	2
2.	Mr. Pradip N. Kapadia	Independent Director	2	2
3.	Mr. Umesh Khanna	Non-Executive Director	2	2

3. **Web link(s) where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company**:

   - The composition of the CSR committee is available on our website, at https://www.afcons.com/en/investors.
   - The Committee, with the approval of the Board, has adopted the CSR Policy as required under section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at https://www.afcons.com

4. **Executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** NOT APPLICABLE

5. a. **Average net profit of the Company as per Section 135(5)**: ₹ (7,077.86) Lakhs

   b. **Two percent of average net profit of the Company as per Section 135(5):** NIL

   c. **Surplus arising out of the CSR projects or programs or activities of the previous financial years:** NIL

   d. **Amount required to be set-off for the financial year, if any**: ₹ 2,05,35,000/-

   e. **Total CSR obligation for the financial year [(b)+(c)-(d)):** ₹ (2,05,35,000/-)*

   *Negative amount of ₹ 2,05,35,000/- implies that the Company is not obligated to make any CSR contribution for the financial year 2022-23. The amount has been arrived based on the prescribed formula i.e. 2% of average net profit of the Company (excluding overseas branch profit) plus surplus arising out of CSR projects of the previous Financial year. Average net profit of the Company is negative as substantial profit of the Company in the preceding three financial year was from the overseas business. Also, during the previous financial years, there was no mandatory requirement for CSR spending and therefore there is no surplus arising out of CSR projects of the previous years. However, the Company had spent voluntarily on CSR activities, hence same has been considered for set-off.

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

   Following amount was spent voluntarily by the Company on other than ongoing project

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple-men-tation - Di-rect (Yes/ No)	Mode of Implementation – Through Implementing Agency	
				State	District					Name	CSR Registration number
1.	Promoting health care including preventive health care.	(i)	Yes	Maha-rashtra	Thane	N.A.	3,00,000	--	Yes	Samarth Bharat Vyaspeeth Trust ("SBVT") – Signal School Project	CSR 00010061
2.	Promoting health care including preventive health care.	(i)	No	New Delhi	New Delhi	N.A.	3,75,000	--	Yes	Indian Red Cross Society for Prime Minister's TB Free Mission	CSR 00042144
	Total						**6,75,000**				

(b) Amount spent in administrative overheads: **NIL**

(c) Amount spent on impact assessment, if applicable: **NOT APPLICABLE**

(d) Total amount spent for the financial year [(a)+(b)+(c)]: ₹ 6,75,000/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
Not applicable					

(f) Excess amount for set-off are as follows:

Sr. No.	Particular	Amount in ₹ 2022-23
(1)	(2)	(3)
1	Two percent of average net profit of the Company as per sub-section (5) of section 135	Nil
2.	Total amount spent for the Financial Year	6,75,000
3.	Excess amount spent for the financial year [(ii)-(i)]	6,75,000
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	6,75,000

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section 6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in Succeeding financial years	Defi-cien-cy, if any
					Amount	Date of transfer		
1	2019-20	Nil	Nil	₹ 1.47 Crores	Nil	-	Nil	Nil
2	2020-21	Nil	Nil	Nil	Nil	-	Nil	Nil
3	2021-22	Nil	Nil	Nil	Nil	-	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

◯ **Yes** ✓ **No**

If yes, enter the number of Capital assets created/acquired - **NOT APPLICABLE**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) :

NOT APPLICABLE

K. Subramanian
Executive Vice Chairman
DIN: 00047592
(Chairman CSR Committee)

S. Paramasivan
Managing Director
DIN: 00058445

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY: OVERVIEW

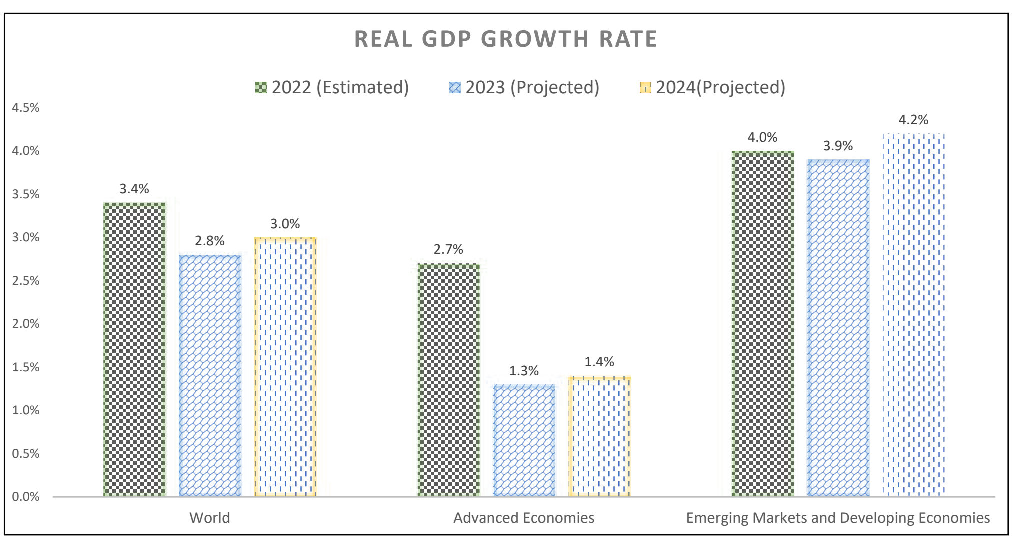
The world economy continues to experience headwinds due to the protracted effects of the overlapping negative shocks of the pandemic, war in Ukraine, and the sharp tightening of monetary policy to contain high inflation. Inflation had reached multidecade highs in many countries due to a number of factors including energy prices, supply chain disruptions and commodity price spikes. Central banks responded with aggressive monetary tightening to curb inflation and anchor inflation expectations. However, the rapid rise in interest rates has exposed vulnerabilities within certain segments of financial systems in advanced economies. Certain institutions that have relied on the continuation of low interest rates in previous years are now facing significant strain. The recent bank failures in the United States have prompted investors and depositors to divert their funds away from the institutions perceived as vulnerable. Consequently, policymakers, particularly in advanced economies, face complex dilemmas as they seek to address persistent inflation, sustain economic growth, and maintain financial stability.

Inflation rates have experienced a decline, although they still remain elevated, especially in the United States and the Euro areas, being approximately twice as high as pre-2021 levels. According to the IMF, it is anticipated that inflation will only converge with targets by 2026 indicating that high interest rates are expected to persist for a longer period. Global debt levels, which have significantly risen during the Covid-19 pandemic, continue to hover at record highs. The recent tightening of monetary policy has substantially increased borrowing costs, raising concerns about debt sustainability, particularly in emerging economies. The substantial debt levels pose a risk to the global economy as they could potentially trigger a financial crisis if interest rates sharply rise or if there is a significant economic slowdown.

The initial shock to commodity prices during the onset of the war in Ukraine is gradually reducing; however, prices continue to remain high due to the prolonged nature of the conflict and expectations of limited global supply. The decrease in commodity prices has played a significant role in the decline of inflation, but maintaining lower prices relies on avoiding any additional adverse shocks. Furthermore, the reopening of China following extended periods of lockdown can have a notable impact on commodity prices, given China's status as a major producer and exporter of commodities. This could potentially drive prices even higher and intensify inflationary pressures.

The global economy stands at a crossroads, brimming with uncertainty as it navigates the persistent forces that have shaped its course throughout 2022 and are expected to extend their influence into the unfolding year of 2023. There are also concerns about financial stability in advanced economies. The International Monetary Fund estimates a global output growth rate of 3.4% in 2022, projecting a slightly tempered expansion of 2.8% for the year 2023, only to rise once again to a hopeful 3% in the year 2024. Within this landscape of growth and change, the economies of advanced nations face a distinctive challenge. Their output growth is projected to witness a decline from the relatively robust 2.7% in 2022 to a more modest 1.3% in 2023. This divergence is a consequence of their heightened exposure to the adverse shocks reverberating throughout the global economic terrain. On the other hand, Emerging Markets and Developing Economies are poised to fare comparatively better. These dynamic economies are estimated to grow by 4.0% in 2022 and growth rate is projected to be resilient at 3.9% in 2023 with a promising ascent to 4.2% in the year 2024.

In the midst of the uncertainties and challenges, there is also room for optimism regarding global economic growth. Despite the headwinds and varying performance across different economies, the projections indicate a positive trajectory for the world as a whole. Relatively stronger growth rates anticipated in Emerging Markets and Developing Economies underscore the dynamism and opportunities present in these regions. While challenges remain, this positive outlook offers hope for a revitalized global economy, fostering stability, prosperity, and shared progress in the years to come.



Source: IMF, World Economic Outlook April 2023

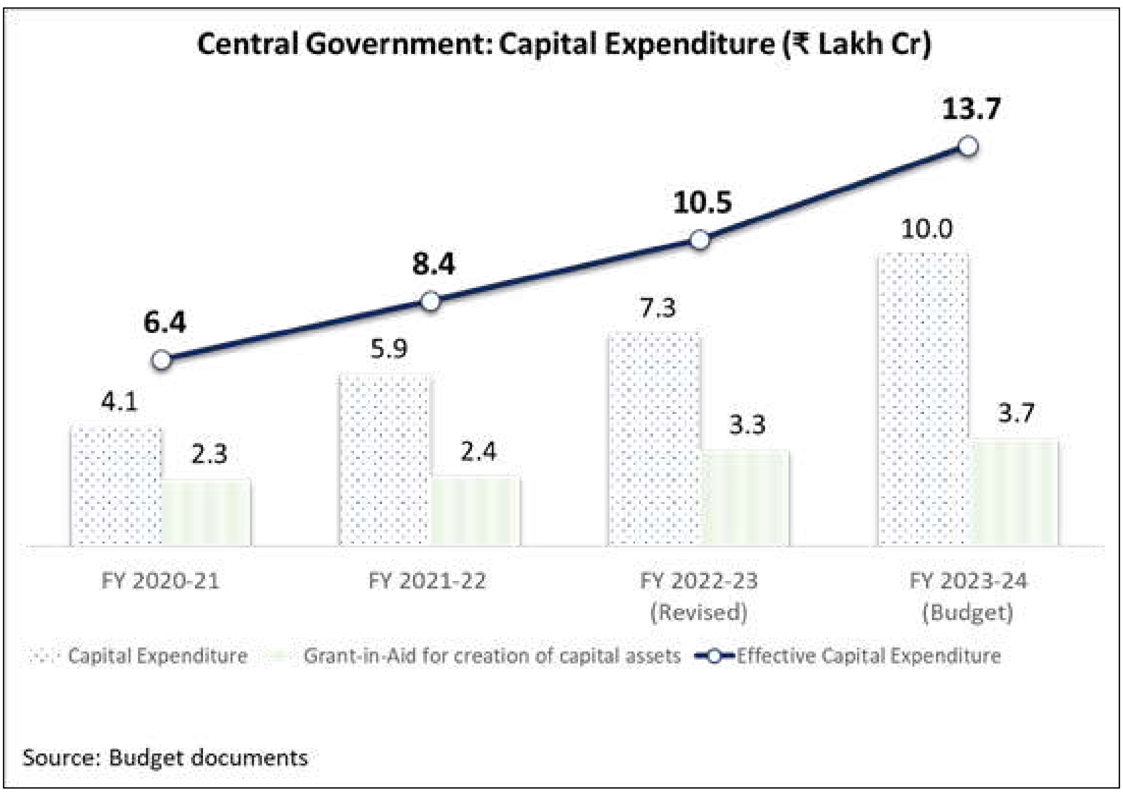
INDIAN ECONOMY: OVERVIEW

As per the National Statistical Office (NSO), the Indian economy has achieved an estimated real GDP growth of 7.2% in the fiscal year 2022-23. This growth rate is notable amidst the strong global headwinds. India is expected to be the fastest growing major economy. As per RBI, the growth momentum can be attributed to several factors such as a sustained recovery in discretionary spending, particularly in contact intensive services, restoration of consumer confidence, increased spending during the festival season following two years of COVID-19 induced isolation and the government's emphasis on capital expenditure. Indian economy, like many other global economies, also experienced a surge in inflation during FY 2022 – 23, due to impact of overlapping global supply shocks and pass-through of higher input costs.

The Reserve Bank of India (RBI) has projected a growth rate of 6.5% for India in the ongoing fiscal year 2023 – 24. Despite facing challenges arising from a subdued global economic outlook and potential international risks, the Indian economy is expected to navigate quite smooth. This positive outlook is supported by a resilient domestic macroeconomic environment, stable financial conditions, a consistent reform agenda, and emerging growth opportunities from shifts in the global geo-economic landscape. Indian economy is projected to continue its growth path due to softer global commodity and food prices, sustained government focus on capital expenditure, increasing optimism among businesses and consumers, and a rise in credit growth. Risks related to inflation have moderated in recent times and are anticipated to remain within a normal range.

UNION BUDGET FY 2023 – 24

The Government of India has consistently emphasized Infrastructure spending in its recent budgets, and this commitment continues in the current union budget. Capital expenditure has been steeply increased for the third year in a row. The allocation for capex has risen by 33%, reaching a total of approximately ~ ₹ 10 Lakh Crores, which accounts for around 3.3% of GDP. This total outlay is nearly three times the amount allocated in FY2019-20. In addition to the direct capital investment by the Central government, provisions have been made for the creation of capital assets through Grants-in-aid to states. The Effective capital expenditure of the central government is budgeted at around ₹ 13.7 Lakh Crores, equivalent to approximately 4.5% of the GDP. Furthermore, the Union government has extended its support to state governments for capital investment by providing a 50-year interest-free loan to states for an additional year. This measure aims to stimulate infrastructure investment and encourage states to implement complementary policy actions. The budget has allocated a significantly enhanced outlay of ₹ 1.3 Lakh Crores for this purpose.



Infrastructure and Investment forms one of the seven priorities of current budget FY 2023 – 24. Investments in infrastructure is primarily based on the multiplier effect on growth and employment. Central government focus on Infrastructure investment is geared towards growth potential and job creation, crowd-in private investments, and provide cushion against global headwinds. Budget also emphasized on the significance of logistics. ₹ 75,000 Crores of investments are planned in building 100 critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains. Regional connectivity is another focus areas where government has made several announcements. Budget has also provisioned for Infrastructure Finance Secretariat to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.

Contracts disputes and arbitration has been a perennial issue plaguing the construction sector in India. Multiple measures have been introduced over last several years in this area. In this year's budget government has proposed for a voluntary settlement scheme with standardized terms for the arbitral awards which are under jurisdiction. This will be area of interest for construction industry in India. With all this, this is an area where there is significant improvement possible from the government side.

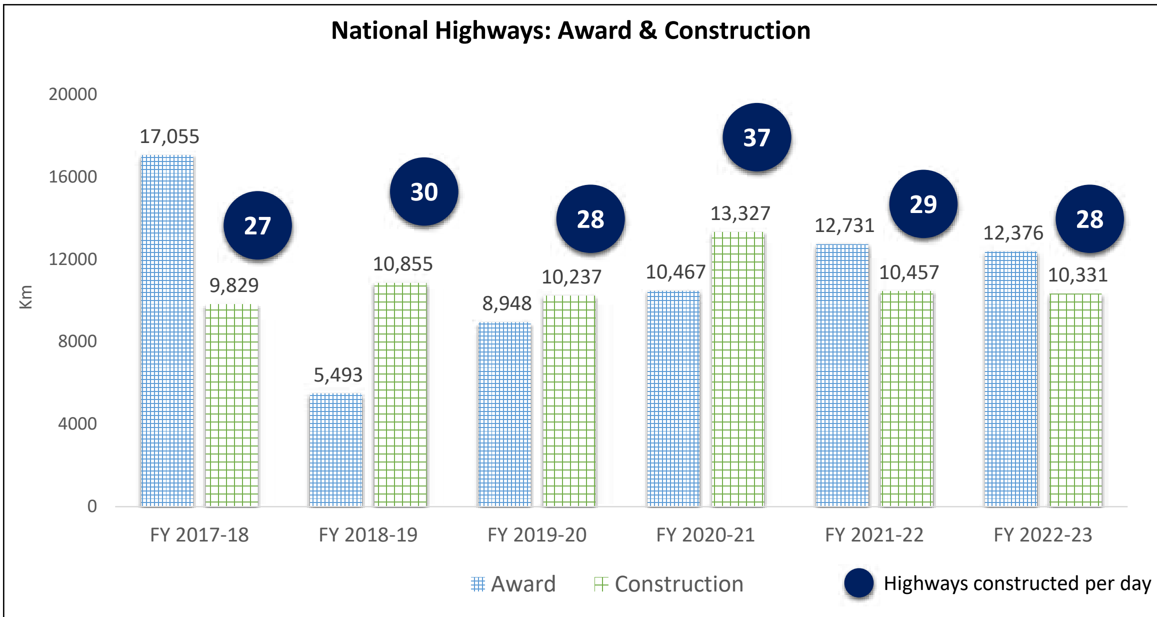
INDIAN CONSTRUCTION INDUSTRY: STRUCTURE AND DEVELOPMENT

Construction sector plays a pivotal role in India's economic development, contributing significantly to employment generation, infrastructure growth and overall GDP growth. As per the provisional estimates of The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), Construction industry has ~ 8.4% share in overall Gross Value Added (GVA) for FY 2022 – 23. Construction sector is 2nd, after agriculture, in providing employment in India. Construction sector grew 10% to ₹ 12.4 Lakh Crores as per NSO estimates.

The infrastructure industry in India is expected to see a positive outlook in FY2023-24 and offers immense growth potential. Continued government support, policy reforms and private sector participation are expected to drive infrastructure development. The government has announced a number of initiatives to boost infrastructure development, including the National Infrastructure Pipeline (NIP), the National Monetisation Plan (NMP), and the Gati Shakti Master Plan. These initiatives are expected to attract significant investment in the infrastructure sector, which will lead to increased construction activity and job creation.

ROADS

Over the last several years, there has been a strong performance in terms of highway construction in the country. Road construction is one of the key focus areas of central and state governments. In FY 2022-23, 10,331 km of highways were constructed. The pace of construction was more or less in line with the year before that as 10,457 km of highways were constructed in FY 2021-22. Road construction was impacted due to elevated commodity prices as well as prolonged monsoon in some parts of the country in the first half of FY23. This construction was 17% short of the government's target of constructing 12,500 km highways in last fiscal year.

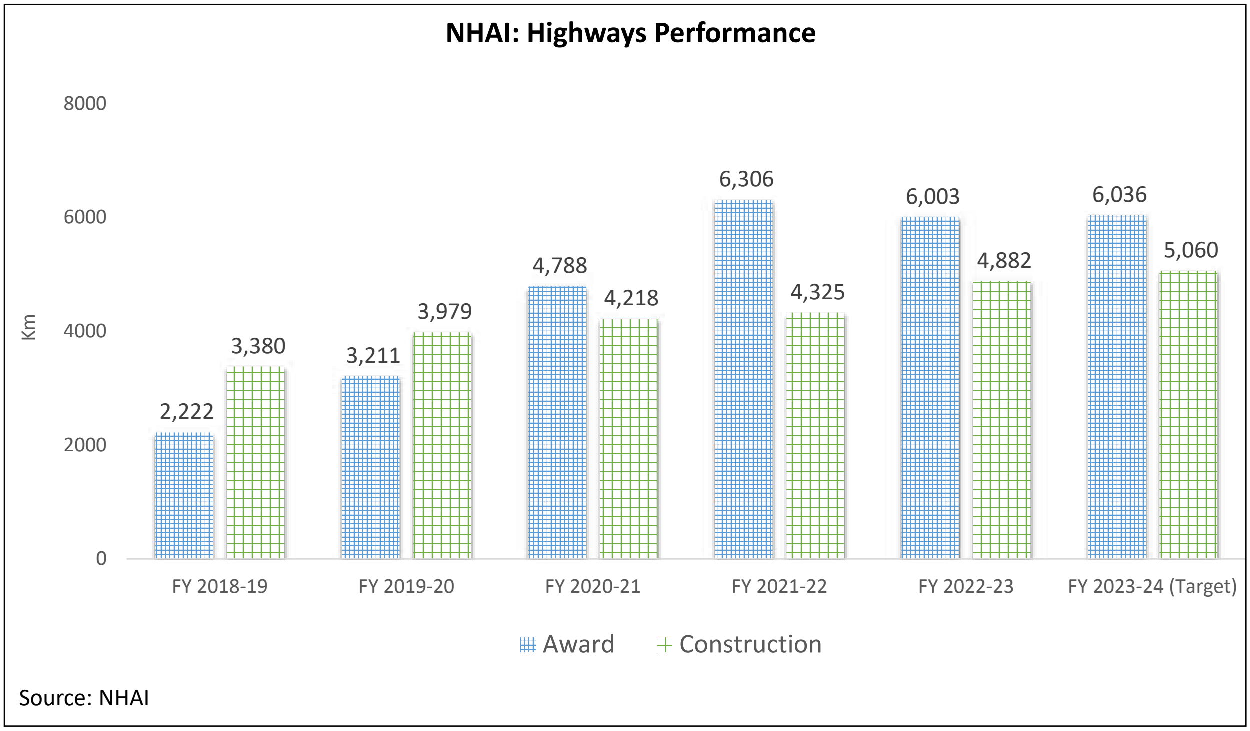


Source: Ministry of Road Transport & Highways (MoRTH)

Execution activity is expected to grow in current fiscal year FY2023 – 24 with focus on project completion. India's highway construction is projected to accelerate this fiscal year, setting a record for the highest-ever road length built in a year. The Ministry of Road Transport and Highways (MoRTH) has internally set a goal to construct at least 45 km of highways a day this year. NHAI has set a target of awarding 6,036 km of highway and constructing 5,060 km of highways in current financial year. EPC will continue to remain the mainstay of the highway project awarding, expected to account for ~70-75% of awards in FY2023-24. BOT project award has remained less than 5% over last several years and is expected to be in the same range in current fiscal.

Keeping in line with its infrastructure push, Government has allocated highest ever outlay for the highways sector under Budget FY 2023 – 24 to ₹ 2.7 Lakh Crores, approximately ₹ 70,000 Crores higher, a jump of 35% compared to previous year's budget. Out of the total budgeted outlay in current year, National Highways Authority of India (NHAI) has been allocated a record ₹ 1.6 Lakh Crores as a part of MoRTH's capital expenditure plan for FY 2023 – 24, a 21% increase over previous year. Budget estimates NHAI to raise ₹ 10,000 Crores from monetisation of several completed highway stretches.

Road transport and highways is expected to play a crucial role in infrastructure development with nearly 27% of the total capital expenditure earmarked for the sector. Over last several years, MoRTH has been spending almost all of the funds allocated to it. Since 2018-19 onwards, Road Ministry has spent more than the amount allocated to it at the budget stage except in FY 2019-20. Between FY 2012-13 to FY 2022-23, amount allocated to MoRTH increased by 21% while the actual expenditure has risen by 25%.



RAILWAYS

Union Budget FY 2022 – 23 allocated a record ₹ 2.6 Lakh Crores for capital expenditure on Indian Railways, a significant ₹ 1 Lakh Crores higher than the previous year. Over past few years, there has been steady increase in share of capital expenditure in total expenditure for Indian Railway, reaching 50%+ share in recent budget. Railways constructed new lines at the rate of 12 km per day and is expected to increase to 16 km per day in this fiscal year. Railways plans to spend in excess of ₹ 30,000 on construction of new lines in current year and additional ₹ 30,000 Crores on doubling rail lines. Capex in railways is planned to be spent on key projects including launch of planned 500 Vande Bharat Express trains, achieving 100% electrification.

Redevelopment of major railways stations across India is one of the ambitious plans undertaken by the Indian Railways. Projects are targeted to be awarded on the Engineering, Procurement and Construction (EPC) basis rather than the PPP model. The development will integrate various modes of transport with railway station viz. metro, bus, and will also integrate both sides of city with station. In addition to the redevelopment of major railway stations, a new policy for modernization of stations named Amrit Bharat Station Scheme has been conceptualized in Dec 2022. This scheme envisages development of stations on a continual basis with a long-term vision. It involves preparation of Master Plans and their implementation in phases to improve the amenities at the stations such as improvement of station access, circulating areas, waiting halls, toilets, lift/escalators as necessary, cleanliness, free Wi-Fi, kiosks for local products through schemes like 'One Station One Product', better passenger information systems, Executive Lounges, nominated spaces for business meetings, landscaping etc. keeping in view the necessity at each station. Scheme plans to take-up 1,275 railway stations for upgradation/ modernization in the country including border areas.

METRO RAIL

Metro Rail has witnessed significant growth and development in various cities across India. Rapid urbanization, environmental challenges and aspirations for better transport solutions has contributed towards continued rise in metro rail construction. More than 800 km of metro lines are operational in 20 cities in the country and 980 km of the metro network is in under various stages of development in 27 cities. Metro network is projected to cross 1,700 km by 2025 as per Ministry of Housing and Urban Affairs. A total of ₹ 23,000 Crores was allocated to metro projects under budget FY 2023 – 24.

Different modes of metro rail are under various stages of conception/ development based on the city population. Metro Lite is one such transit solution targeted for Tier 2/3 cities. This system which can be constructed at a cost of about 40% of high-capacity metro system is more viable and sustainable due to less capital, operation and maintenance costs. Four Metro Lite projects are under various stages of implementation at Gorakhpur, Delhi, Jammu, Sri Nagar. Metro Neo is another suitable alternative for smaller cities. Metro Neo is a rubber-tyred electric coach powered by overhead system running on a road slab with an exclusive right of way. It is estimated to be developed at a cost of 25% of conventional metro system. Metro Neo projects for Nashik and Dehradun are at various stages of appraisal.

MARINE & INDUSTRIAL

India's maritime sector comprises of 12 major (owned and managed by central government), 200+ non-major ports (owned and managed by state governments) and several private ports situated along its 7,500 km long coastline and a 14,500 km of vast network of potentially navigable waterways. About 95% of India's trade by volume and 65% by value is done through maritime transport facilitated by ports. Indian government has prepared the draft Indian Ports Bill 2022 to repeal and replace the existing The Indian Ports Act, 1908, which is more than 110 years old. Primary objectives of the proposed bill are to promote integrated planning between states, centre-states, address lacunae in the dispute resolution framework amongst other things. The bill aims to centralize the administration of minor ports that are currently managed by state governments.

Development of inland waterways has also picked up pace in recent times. 111 waterways including the 5 previously notified National Waterways (NWs) over 24 states have been declared as National Waterways. An action plan has been formulated for NWs that were found viable for cargo and passenger movement. India is planning to invest over ₹ 35,000 Crores by 2047 to create a network of waterways in the country.

HYDRO & UNDERGROUND

India ranks globally amongst the largest installed capacity of the hydropower. India has more than 100 hydropower plants above 25 MW and nine pumped storage stations. Pump Storage Projects (PSP) can play a key role in achieving India's target to reduce the emission intensity of its GDP by 45% by 2030, get to 50% of installed capacity from non-fossil fuel sources by 2030 and achieve net zero carbon emissions by 2070. Pump Storage Projects (PSP) are clean, time tested and have large capacity, huge domestic potential and minimal impact on the environment in their vicinity. Central Electricity Authority of India estimates on-river pumped storage potential of 103 GW in India. Huge off-river pumped storage potential is also available in the country. There are 8 PSP projects of 4.7 GW under operation, 4 projects of 2.8 GW under construction and 24 projects of 26 GW have been allocated by states which are under various stages of development.

WATER

Ministry of Jal Shakti has been allocated ₹ 97,000 Crores under union budget FY 2023 – 24, 13% higher than the previous year. Department of Drinking Water and Sanitation, which aims to ensure that every citizen has access to clean drinking water and sanitation facilities, has been assigned ₹ 77,000 Crores in this year's budget. Jal Jeevan Mission, one of the major schemes under the Drinking Water and Sanitation department, is Indian Government's ambitious plan to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India. The Department of Water Resources, River Development, and Ganga Rejuvenation, which aims to achieve poverty reduction, environmental sustenance, and sustainable economic development, through integrated water management, has been allocated a budget of ₹ 20,000 Crores.

OIL & GAS

India is the World's 3rd largest consumer of oil and Asia's 2nd largest refiner. Country is planning to double its oil refining capacity to 450-500 million tonnes by 2030. Economic growth in the company is closely related to its energy demand and oil and gas segment is projected to increase and expected to be conducive for investment. India is planning to more than double its exploration area of oil and gas to 0.5 million sq. km by 2025 and to 1 million sq. km by 2030 with a view to increase domestic output. This is in line with the overall objective of reducing India's dependence on oil imports.

LNG imports in India account for about one-fourth of total gas demand and are expected to grow significantly going ahead. India is also the World's fourth-largest importer of LNG. The Ministry of Petroleum and Natural Gas aims to increase the country's LNG re-gasification capacity to 70 MTPA by 2030 and 100 MTPA by 2040. Natural Gas is crucial energy source for India and government is planning to increase its share in total energy mix from 6% (Jul 22) to 15% by 2030.

GLOBAL CONSTRUCTION INDUSTRY

The global construction industry is expected to significantly increase its growth rate in 2023 compared to previous year. As per Fitch Solutions, Global construction industry is forecasted to grow by 2.1% in 2023, compared to estimated growth rate of 0.7% in 2022. Growth is anticipated to accelerate with average growth rate of ~ 3% over next decade. Construction industry faces several headwinds posed by the prevailing economic environment. Due to anticipated high interest rates and existing high debt levels resulting from Covid-19 measures, governments will face significant debt servicing costs, which will in turn limit their capacity for fiscal intervention in the infrastructure sector. Energy costs are expected to remain elevated and place excessive pressure on construction activity in the form of high raw material costs and increased cost of energy consumption in projects. Transportation Infrastructure is expected to account for most of infrastructure investment, with multimodal connectivity being the primary sub-sector across most countries.

There will be a significant variation in construction industry growth across various regions. North American region is expected to see a decrease in construction activity due to high interest rates. Project award could get delayed due to rise in interest rate. Construction activity in the European region is also expected to be relatively low due to high energy costs and interest rates. However, most European countries are expected to make significant investments in the Oil and Gas industry, particularly in LNG terminals and pipelines as part of their continuing efforts to achieve energy security.

Latin America's construction industry is expected to be affected by the tightening monetary policies across the region following the widespread rate increase in 2022. Political risks also weigh on the infrastructure investment activities in the region. Construction sector in Mexico and Columbia is expected to outperform in the region supported by base effects, positive industry dynamics in these countries and planned rising investments.

Asia's construction industry is expected to grow, although at a slightly low level compared to years before the Covid-19 pandemic, dampened by weaker growth in Mainland China's construction industry. Reduction in long term housing demand and maturing infrastructure segment will weigh on long-term growth in the construction sector in China. Emerging markets in the region viz. Indonesia, Vietnam, Philippines, Bangladesh are expected to witness significant growth in their respective construction sector as governments are likely to ensure significant investments to reduce infrastructure deficits in the region.

Construction activity in the Middle East and North Africa region will remain largely unaffected by slowing global growth in 2023, as higher revenue for the region's energy exporters will lead authorities to seek to frontload higher capital spending. Infrastructure development remains a key component of economic diversification efforts across Saudi Arabia, Kuwait and other Gulf Cooperation Council markets, therefore authorities will seek to use this greater liquidity to accelerate project development where feasible.

Sub-Saharan Africa's construction industry is expected to outperform all the other regions in terms of growth, although it has the smallest construction industry in the world. East and West African regions will predominantly drive growth in the region. Transport, Energy and commercial building projects will constitute bulk of the construction activity in Sub Saharan Africa. Southern Africa's construction sector is expected to underperform mainly due to low economic growth and gaps in power generation in South Africa due to which adequate investments in infrastructure development may not be possible. Some countries in Africa are reeling under the long-drawn debt restructuring process while some countries are facing debt distress. Resolving these issues quickly will be crucial to support planned investment in infrastructure in the region.

Global – Construction industry real growth rate *(2021 – 2025)*

Region	2021	2022e	2023f	2024f	2025f
Asia Pacific	2.5%	4.6%	4.9%	4.2%	4.1%
Europe	6.0%	1.8%	1.5%	2.2%	2.2%
North America	2.9%	– 8.9%	– 0.9%	2.7%	4.0%
Latin America	12.1%	3.7%	1.6%	2.3%	2.5%
Middle East and North Africa	4.7%	4.1%	3.1%	3.2%	3.2%
Sub-Saharan Africa	4.2%	3.5%	4.4%	5.3%	5.7%

e: estimated; f: forecasted

Source: Fitch Solutions

BUSINESS OVERVIEW

Afcons bagged new projects worth ₹ 7,922 Crores in FY 2022–23. Pending order book position of company as on 31st March 2023 stands at ₹ 30,406 Crores.

Construction sector in India continued to perform and contribute significantly to India's economic growth. On the back of healthy order books and robust execution, construction companies delivered strong performance. Construction industry as a whole has been facing headwinds in terms of surge in prices of key inputs, particularly steel and crude oil. Relaxation in bidding norms has resulted in increased competitive intensity in several sectors, especially domestic roads and elevated metros. Internationalization strategy of Afcons continues to bore fruits with strong opportunities in East and West Africa along with select neighbouring countries. New projects were bagged in several countries viz. Tanzania, Gabon, Liberia, Ivory Coast. Afcons has been widely recognized in various international platforms. As per the latest ENR (Engineering News-Record, USA) 2022 Rankings, Afcons is the 7th largest international Marine and Ports Contractor in the World. Afcons is also ranked as the 16th largest international Bridges Contractor in the world, 40th largest international Transportation Contractor and 21st in Transmission Lines & Aqueducts in the world.

Afcons focus on knowledge management has been appreciated and recognized at global levels. For the seventh year in a row, the company won the Most Innovative and Knowledge Enterprise (MIKE) award at Global, Asia and India levels.

RISK AND CONCERNS

A. Global Events

- Protracted Russia – Ukraine war.
- Increasing energy and commodities prices further stoking inflation. Failure to stabilize price increase trajectories can severely impact profitability margins. Volatile energy prices concern in tandem with rapid and sustained inflation, and food supply issues poses a risk of cost-of-living crisis.
- Rising interest rates on account of hawkish stand of central banks to curb rising prices can deter economic growth.
- Prolonged economic downturn across countries can severely hamper business opportunities and cause contagion risks.
- Significant overhang of debt restructuring / sovereign debt default. The global debt distress can cause economic instability in pockets / regions.
- Flight of capital from developing countries.
- Diversion of funds from infrastructure projects towards prioritized segment like social infrastructure, health infrastructure.
- Implementation of protectionist policies and waning of globalization can impact international trade and raise artificial barriers.

B. Domestic Events

- Rapid increase in inflation levels, especially in the key input materials such as steel, cement, can impact profitability of contractors.
- Continued uncertainty regarding subdued global growth and financial instability can likely affect economic growth outlook of the country.

- Lower than average monsoon can result in drought like conditions, lower agriculture output and stoke inflation fear.
- RBI may take a hawkish stance to keep the inflation in check by raising policy rates and thereby increasing the interest costs for businesses.
- Sluggish investment, resulting in wide gap between willingness to invest and actual projects being implemented on the ground, poses as a headwind to domestic growth.
- Continued aversion by banks and financial institutions for lending towards EPC companies.
- Non-release of blocked up funds with government clients on account of arbitration.
- Unjust contractual conditions set by clients.
- General elections in the coming year can pose a risk on policy continuity and political stability.
- Shortage of skilled and semi-skilled labour at construction sites due to large scale labour migration. In the short to medium term margins can fall with a rise in labour costs.
- Foreign currency exchange risk on account of volatility in currency fluctuations.

OUTLOOK

There is a strong positive outlook for the construction business, both in India and select targeted international markets. Domestically, strong focus of governments, both at the central and state levels, on the infrastructure development will continue to provide interesting opportunities on the home front. Sustained domestic demand provides a solid foundation for business growth to the company. On the international front, exciting project opportunities have been earmarked in carefully selected target countries. Afcons internationalization has been significantly beneficial to the organization and the company will further sharpen its focus on overseas endeavours. Although certain African countries have faced challenges stemming from debt distress, signs of improvement have emerged.

Afcons has devised its long-term strategy plan – Vision 2027, charting growth plans for the next five financial years: FY 2023 – FY 2027. The company has steadily begun its journey towards its future targets and is confident of achieving its vision.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The Company is maintaining an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and ensuring compliance with all laws and regulations. The internal control system is managed through continuous internal audit by external professionals who conduct audits of Project sites of the Company throughout the year to test the adequacy of the internal systems and suggest continual improvements. All significant audit observations and follow up actions are reported to the Audit Committee along with Internal Audit reports and management responses/replies thereon. Operational control exists through well laid out system of checks and balances and hierarchy of reporting from site level to central management groups to the senior management and the Directors.

HUMAN RESOURCES DEVELOPMENT

The Company continues to excel in the field of Human Capital management with unique practices in the Infrastructure Industry. The Company strives to achieve the highest levels of employee engagement with multiple focused initiatives towards effective training and development of employees at various levels. There is strong drive on organization and people development. The healthy status of the Company's human capital is evident from the trend analysis of achievement, higher productivity with stable employee numbers and low attrition rate vis-a-vis industry competitors.

Our HR policy derives its mission statement from the Company and focuses on:

- **Transnational Presence**: The Afcons family presently comprises employees from 20+ nationalities at our projects in more than 13 countries. We believe in equal opportunity and gender equality. We strive to be an equal opportunity employer and at present, Afcons employs more than 110 local women in overseas projects which is a rarity in the infrastructure industry.
- **Innovation**: We are fully equipped for the next level of Human Capital requirement with the digitisation of all processes in an employee lifecycle, starting from recruitment to separation.
- **Value Creation**: We strive to align employees with the strategy & goals of the organization. With a unique employee engagement initiative, employees are enlightened about the strategic direction of the organization and aligned with the organization's DNA.
- **Stakeholders**: Afcons and Afconians proactively and selflessly participate in community engagement activities. Many initiatives have been taken to boost employee morale & engagement like monthly project magazine – Anubandh and Wall-Of-Unity at all projects. We boast of a healthy organic follower base (more than 500,000) on social media platforms like LinkedIn and YouTube due to a meaningful and enriching experience.

We continue to aspire to provide employees a professional, congenial, and safe work environment with opportunities for personal growth and development. We aspire to innovate and become a strong and positive influence offering a wholesome experience to everyone in the Afcons family. Continuous performance in projects is testament to the significance of *'The Afcons Way'* which includes our values viz. Deep dive, Excellence, Collaboration, Ethics & Integrity, and Embrace Challenge.

CAUTIONARY STATEMENT

The statement in Management Discussions and Analysis describing the Company's operations and expectations are "forward looking statements". Actual results may differ owing to environmental dynamics.

REPORT ON CORPORATE GOVERNANCE

I. CORPORATE GOVERNANCE PHILOSOPHY

The Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success.

II. BOARD OF DIRECTORS

a. Composition

During the financial year ended 31st March 2023, the Board of Directors of the Company **("Board")** comprised of nine (9) Directors out of which 3 were Executive Directors and the remaining six (6) were Non-Executive Directors {including two (2) Independent Directors}. The Chairman of the Board is Non-Executive Director. The composition of the Board is in conformity with the Companies Act, 2013 **("Act")** read with Rules issued thereunder.

During the financial year 2022-23, Mr. Akhil Kumar Gupta (DIN: 03188873), Mr. Nawshir D Khurody (DIN: 00007150) and Mr. R M Premkumar (DIN: 00328942) ceased to be Directors of the Company w.e.f. 30th June, 2022, 26th September, 2022 and 26th September 2022 respectively. Mr. David Paul Rasquinha (DIN: 01172654) was appointed as Additional Director (Independent & Non-Executive) of the Company w.e.f. 7th July 2022 and was appointed as a Director and Independent Director at the Annual General Meeting held on 29th September 2022.

All the Directors possess the requisite qualifications & experience in Industry, Management, Finance, Research, Law and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

b. Board meetings and Attendance

During the financial year 2022-23, Nine (9) Board Meetings were held i.e. on 19th May 2022, 30th June 2022, 07th July 2022, 20th July 2022, 29th July 2022, 29th August 2022, 26th September 2022, 13th December 2022 and 14th March 2023. Out of the above, the Board meetings held on 19th May 2022, 07th July 2022, 20th July 2022, 29th July 2022, 29th August 2022 and 26th September 2022 were held through Video Conferencing and the Board meeting dated 30th June 2022, 13th December 2022 and 14th March 2023 were held in physical mode.

The notices for the Board Meetings and the detailed agenda papers were circulated to all the Directors well in advance to enable them to attend and take an informed decision at the meetings.

The minutes of the proceedings of each Board and committee meetings are properly recorded and entered into the minutes book of the Company.

There is an effective post-meeting follow-up, review and reporting process for decision taken by the Board.

None of the Directors are members of more than Ten (10) Board level committees nor are they Chairman of more than Five (5) committees in which they are members.

The name and category of the Directors on the Board, their attendance at the Board meetings during the year and at the last Annual General Meeting, as also the number of Directorship & Committee memberships held by them in other public companies are given below:

Name of the Director	Category	Total no. of Board Meetings during the year 2022-23		No. of other Directorship(s) in other Public co.^	No of Committee position held in other Public co.^^		Whether attended last AGM held on 29.09.2022
		Held	Attended	Member	Chairman	Member	
Mr. Shapoorji P. Mistry	Chairman, Non-Executive Director	9	3	1	-	-	No
Mr. K. Subramanian	Executive Vice Chairman	9	4	-	-	-	Yes
Mr. Nawshir D. Khurody*	Independent Director	9	6	1	-	-	NA
Mr. Pradip N. Kapadia	Independent Director	9	9	5	2	5	Yes
Mr. R. M. Premkumar*	Independent Director	9	7	1	1	1	NA
Mr. David P. Rasquinha#	Independent Director	9	7	2	1	-	Yes
Mr. Umesh N. Khanna	Non-Executive Director	9	9	-	-	-	Yes
Mr. Pallon S. Mistry	Non-Executive Director	9	7	2	-	1	No
Ms. Roshen M. Nentin	Non-Executive Director	9	8	-	-	-	Yes
Mr. S. Paramasivan	Managing Director	9	9	-	-	-	Yes
Mr. Giridhar Rajagopalan	Deputy Managing Director	9	8	-	-	-	Yes
Mr. Akhil Kumar Gupta$	Executive Director (Operations)	9	2	-	-	-	NA

Note 1:

^ Excludes Directorship in association, Private Companies, Foreign Companies & Companies registered under section 8 of the Act.

^^ Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee in other Public Companies have been considered.

* Mr. Nawshir D. Khurody and Mr. R M Premkumar ceased to be directors w.e.f. 26th September 2022 due to expiry of second tenure as an Independent Director of the Company.

Mr. David P. Rasquinha was appointed as Additional Director (Independent & Non-Executive) of the Company w.e.f. 7th July 2022 and was appointed as a Director and Independent Director at the Annual General Meeting held on 29th September 2022.

$ Mr. Akhil Kumar Gupta ceased to be Director w.e.f. 30th June 2022.

Note 2:

During the year under review three circular resolutions were passed by the Board as under:

1/2022-23 dated 13th October 2022 duly approved on 14th October 2022.

2/2022-23 and 3/2022-23 dated 15th February 2023 duly approved on 16th February 2023.

III. AUDIT COMMITTEE

a. The Audit Committee of the Company was constituted on 7th March, 2001.

b. Terms of reference of the Audit Committee:

In compliance with the provisions of section 177 of the Act, and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 amended the terms of reference of the Audit Committee which are as under:

- Overseeing the Company's financial reporting process and the disclosure of financial information;
- Recommending the appointment and removal of external auditors and fixing of audit fees;
- Review with management the annual financial statements and auditor's report before submission to the Board;
- Review with management, external and internal auditors, the adequacy of internal controls;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- To obtain professional advice from external sources and have full access to information contained in the records of the company;
- To oversee the vigil mechanism;
- In consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
- All other powers and duties as per section 177 of the Act and the Rules made thereunder;

c. Eight (8) Meetings were held during the year on the following dates:

19th May 2022, 07th July, 2022, 20th July, 2022, 29th July, 2022, 29th August, 2022, 26th September, 2022, 13th December, 2022 and 14th March, 2023.

d. As on 31st March, 2023 composition of Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Nawshir D. Khurody*	Independent Director	Chairman (upto 26.09.2022)	8	6
Mr. Pradip N. Kapadia*	Independent Director	Member (Chairman w.e.f. 26.09.2022)	8	8
Mr. R. M. Premkumar*	Independent Director	Member (upto 26.09.2022)	8	6
Mr. David P. Rasquinha*	Independent Director	Member	8	6
Mr. Umesh N. Khanna*	Non-Executive Director	Member (w.e.f. 26.09.2022)	8	2

*Mr. Nawshir D. Khurody and Mr. R. M. Premkumar's second term as an Independent Directors expired on 26th September 2022. Mr. Nawshir D. Khurody was the Chairman of Audit Committee upto 26th September 2022. The Board of Directors at its meeting held on 07th July 2022 appointed Mr. David P. Rasquinha as Member of the Audit Committee and later on 26th September 2022 had appointed Mr. Pradip N. Kapadia as the Chairman of the Audit Committee and Mr. Umesh N. Khanna as Member of the Audit Committee.

IV. NOMINATION AND REMUNERATION COMMITTEE

a. The Committee was originally constituted as Remuneration Committee on 25th March, 2003. In compliance with the provisions of section 178 of the Act and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 have renamed the said Committee as "Nomination and Remuneration Committee" (hereinafter "**Committee**"). The Nomination and Remuneration Committee policy was amended at the Board Meeting dated 24th March, 2022.

b. Terms of Reference of the Committee are as under:

- To identify person who are qualified to become directors and who may be appointed in senior management.
- To recommend to the Board the appointment/ removal of the Directors or senior management personnel.
- To specify manner for effective evaluation by the Board of the performance of the individual directors and that of Board, its various committees constituted as required by the Act, and to review its implementation and compliance.
- To formulate the criteria for determining qualifications, competencies, positive attributes and independence of Directors, Key Managerial Personnels and Senior Management Personnels.
- To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other senior employees.
- All other powers and authorities as provided under the provisions of Schedule V and other applicable provision of the Act and the Rules made thereunder and any amendment thereof, if any, in granting the approval of remuneration to Whole Time Directors and the Managing Directors of the Company.

c. As on 31st March, 2023 the composition of Committee and particulars of meetings attended by the members of Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Nawshir D. Khurody*	Independent Director	Chairman (upto 26.09.2022)	4	2
Mr. Pradip N. Kapadia*	Independent Director	Member (Chairman w.e.f. 26.09.2022)	4	4
Mr. Shapoorji P. Mistry	Non-Executive Director	Member	4	2
Mr. David P. Rasquinha*	Independent Director	Member (w.e.f. 26.09.2022)	4	2

` * Mr. Nawshir D. Khurody's second term as an Independent Director expired on 26th September 2022. Mr. Nawshir D. Khurody was the Chairman of Nomination and Remuneration Committee upto 26th September 2022. The Board of Directors at its meeting held on 26th September 2022 had appointed Mr. Pradip N. Kapadia as Chairman of the Nomination and Remuneration Committee and Mr. David P. Rasquinha was appointed as a Member of Nomination and Remuneration Committee.

d. Four (4) Meetings were held during the year on the following dates:

28th June 2022, 07th July 2022, 16th November 2022 and 10th March, 2023

e. Remuneration Policy

The remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

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

- The remuneration to Executive Director, KMP and Senior Management Personnel shall involve a balance between fixed and incentive pay reflecting short and long-term performance appropriate to the working of the company and its goals.
- The remuneration (including payment of the minimum remuneration) to Executive Directors shall be within the overall ceiling prescribed under the Act. Within the said overall ceiling of remuneration, the Executive Directors will be entitled to avail of the perquisites under different heads as may be applicable to the other Senior Management Personnel of the Company. Such remuneration to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration shall be subject to prior/post approval of the shareholders of the Company.
- The annual increments and incentives for the Executive Directors will be decided by the Committee and/or the Board in its absolute discretion and will be merit based and will also take into account the Company's performance.
- The Committee shall identify and ascertain the integrity, qualification, expertise, and experience of the person for appointment as Director/s and recommend to the Board his / her appointment.
- Due to reasons for any disqualification mentioned in the Act, and Rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director.
- The Board shall at least once in every financial year evaluate the performance of the Board, its committees, and each director individually and review its implementation and compliance. In this connection, the Board may take assistance from Independent external agency.

- The qualification attributes, terms and conditions of appointment and removal of KMP (i.e. any Key Managerial Personnels other than the Managing Director / CEO and the whole-time directors of the Company as defined under the Act) and Senior Management Personnels as also their remuneration (including annual increments and incentives if any) and the evaluation of their performance shall be as decided by the Executive Vice Chairman and / or Managing Director of the Company and shall in line with the Company's policies.
- The Committee shall ratify such appointment and removal of KMP (i.e. any Key Managerial Personnels other than the Managing Director / CEO and whole-time directors of the Company as defined under the Act) and Senior Management Personnels.

f. Details of Remuneration paid to Directors during the financial year 2022-23:

i. Remuneration to Executive Directors (₹ in p.a.)

Name of Director	Basic Salary	PF/SA	Perquisites	Total Remuneration
Mr. K. Subramanian	82,68,000.00	22,32,360.00	3,68,69,134.00	4,73,69,494.00
Mr. S. Paramasivan	72,54,000.00	19,58,580.00	3,35,34,517.00	4,27,47,097.00
Mr. Giridhar Rajagopalan	34,38,000.00	9,28,260.00	2,11,58,252.00	2,55,24,512.00
Mr. Akhil Kumar Gupta	8,10,000.00	2,18,700.00	1,09,16,646.00	1,19,45,346.00
Total	**1,97,70,000.00**	**53,37,900.00**	**10,24,78,549.00**	**12,75,86,449.00**

The number of stock options granted till date to the Executive Directors is as under:

Name of the Director	Stock options granted till date
Mr. K. Subramanian	35,040
Mr. S. Paramasivan	26,280

ii. Remuneration to Non-Executive Directors

The Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board and / or Committees thereof. The details of the sitting fees paid to the non-Executive directors are as under:

Name of the Director	Sitting Fees (₹ in p.a.)	Equity Shareholding in the Company	
		No. of Shares	% holding
Mr. Shapoorji P. Mistry	4,00,000	-	-
Mr. Nawshir D. Khurody*	14,00,000	-	-
Mr. Pradip N. Kapadia	26,00,000	-	-
Mr. Umesh N. Khanna	17,00,000	-	-
Mr. R.M. Premkumar*	13,00,000	-	-
Mr. David P. Rasquinha#	14,50,000		
Mr. Pallon S. Mistry	7,00,000	-	-
Ms. Roshen M. Nentin	8,00,000	3,310	0.0046
Total	**1,03,50,000**	**3,310**	**0.0046**

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

* Mr. Nawshir D. Khurody and Mr. R. M. Premkumar ceased to be director w.e.f. 26th September 2022 due to expiry of second tenure as an Independent Director of the Company

\# Mr. David P. Rasquinha was appointed as Additional Director (Independent & Non-Executive) of the Company w.e.f. 7th July 2022 and was appointed as a Director and Independent Director at the Annual General Meeting held on 29th September 2022

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a. In accordance with the requirement of Section 135 of the Act and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 have constituted a Corporate Social Responsibility ("**CSR**") Committee.

b. MCA vide notification dated 22nd January 2021 has amended CSR Rules. Pursuant to said amendment and based on the recommendation of CSR committee, the Board at its meeting held on 28th May 2021 has revised the CSR Policy of the Company. The terms of reference of CSR Committee, as per revised CSR Policy is as under:

- Framing of Corporate Social Responsibility (CSR) Policy (which shall include amendment thereto from time to time) and recommendation to the Board for approval.
- Formulating an Annual Action Plan of the CSR activities to be undertaken during the financial year.
- Selection of CSR Activity / CSR Programme or CSR Project to be undertaken by the Company.
- Recommend spending of CSR funds to be undertaken in areas or subjects specified in Schedule VII to the Act.
- To decide and recommend to the Board on the manner of utilisation of surplus.
- Implementation & monitoring of CSR activity(ies) / programme(s) or project(s) to be undertaken in accordance with the CSR Policy.

- Identifying, evaluating and appointment of organisation (including international organisations) for carrying out base line surveys, guidance on designing, monitoring, evaluating the implementation of CSR activities, project programme and impact assessment surveys etc.

c. Two (2) meetings of the CSR Committee were held during the year on the following dates:

20th June 2022 and 13th February 2023.

d. As on 31st March, 2023 the Composition and particulars of meetings attended by the members of CSR Committee are given below:

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

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

a. The Committee was constituted on 28th November 2006 as Shareholders / Investor's Grievances Cum Share Transfer Committee. The Board at its meeting held on 24th September 2008 renamed the said Committee as Shareholders / Investor's Grievance Cum Share Transfer cum ESOP Share Allotment Committee. Thereafter the Committee was again renamed at the meeting of the Board held on 12th March, 2014 as Shareholder/Investors' Grievance cum Share Transfer cum Shares Allotment Committee **("STC")**. The Board again at the meeting held on 22nd March, 2016 has renamed the committee as Stakeholders Relationship Committee **("SRC")**. SRC was delegated additional powers by the Board at their meeting held on 18th June 2020.

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

- To allot equity shares to the employees exercising the ESOP options granted under the ESOP Scheme 2006 of the Company.
- To issue and allot Equity Shares, Convertible Preference shares (fully/partly/optionally convertible).
- To exercise such powers and to do all such act, deed, matters and things in connection with the issue and allotment of the Equity Shares, Convertible Preference shares (fully/partly/optionally convertible) as the Committee deems fit and proper.
- To approve transfer of the Equity and Preference Shares of the Company and further delegate such powers to the Registrar for the Transfer of Shares of the Company.
- To allot Debentures to the Investor.
- To approve/record Transfer, Dematerialisation / Rematerialisation of Debentures, issue of duplicate Debenture Certificates, issue of new Debenture certificates on split / Consolidation.
- To look into matters pertaining to the shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non- receipt of declared dividends, redress complaints of Debenture holder pertaining to the issue including non-receipt of interests, etc.
- To decide on all other matters related to Debentures.
- To investigate any matter in relation to areas specified above or referred to it by the Board and for this purpose will have full access to information contained in the records of the Company.
- To determine the conversion price of the Convertible Preference shares (fully/partly/optionally convertible).
- To sub-delegate any of the said powers and authorities to any of the Committee members and/or to any other person as the Committee deems fit.
- To pass any resolution by Circulation.
- To take steps for transfer of any unclaimed dividend amount and equity shares to Investor Education and Protection Fund (IEPF) as referred under Section 124 and Section 125 of the Act and rules framed thereunder;
- To consider, monitor, resolve and handle all the matters regarding transmission of securities of the Company;
- To carry out such other matters as may be delegated to it by the Board from time to time.

c. Four (4) meetings of SRC were held during the year on following dates:

11th May, 2022, 23rd August, 2022, 24th November, 2022 and 13th February, 2023

d. As on 31st March, 2023 the composition and attendance of members at the meetings of the STC are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Pradip N. Kapadia	Independent Director	Chairman	4	4
Mr. Umesh Khanna	Non-Executive Director	Member	4	4
Mr. S Paramasivan	Managing Director	Member	4	4

e. Name and Designation of the Compliance Officer:

Mr. Gaurang Parekh, Company Secretary is the Compliance officer & Nodal officer of the Company.

f. Status of Investor's Complaints

During the financial year all the letters / complaints received by the Registrar and Share Transfer Agent have been redressed and there were no complaints pending with the Company / Registrar and Share Transfer Agent. All the valid share transfers requests received during the year were duly attended to and processed in time. There was no valid request pending for share transfer as on 31st March 2023.

VII. INDEPENDENT DIRECTORS MEETING

During the year under review, One (1) meeting of the Independent Directors namely Mr. Pradip N. Kapadia and Mr. David Paul Rasquinha was held on 20th February, 2023.

As per the provisions of section 149 read with schedule IV of the Act, at the said Independent Directors meeting, the Independent Directors reviewed the performance of the Chairman, Non-Independent Directors, the Executive Directors and the performance of the Board as a whole.

Both the independent directors were present at the said meeting.

VIII. COMMITTEE OF DIRECTORS

The Committee of Directors (**"COD"**) was reconstituted on 27th June, 2016 with revised powers for delegation of certain powers of the Board to Committee of Directors which are of routine & urgent nature can be approved/ passed by the said Committee. On 24th June, 2019 the Board has further delegated to the said Committee certain powers of the Board for taking decision on matter arising between two Board meetings to authorise the Committee to borrow from any other persons in addition to Banks, Financial Institutions.

a. The broad terms of reference of COD are as under:

- To open account(s) in the name of the Company with any Bank(s), Financial Institution(s), as the Committee may deem fit and necessary, whether designated in Indian Rupees or any foreign currency whether in India or overseas, to authorise signatories to open, operate and to give instructions to the Banks / Financial Institution in connection with the operations of the account(s) including specific any terms or limit on such authority and to close any Bank Account(s) of the Company with any Bank(s), Financial Institution(s).
- To issue Power of Attorney in favour of employees of the Company and other persons pertaining to the business of the Company under the Common Seal of the Company.
- To authorise representative of the Company for representation before Statutory Authorities in India and Overseas.
- To avail credit facilities / borrowing from time to time (including amendment thereto), within the limits as approved by the Shareholders, from Banks and/ or Financial Institutions or any other persons from time to time as the Committee may deem fit and necessary for the purpose of the business of the Company and to authorise signatories to sign and execute agreements and documents and to do all act, deeds and things to give effect to the availing of the credit facility /borrowing.
- To avail corporate internet Banking with online transaction Rights from Banks/ Financial Institutions for the Bank Account(s) of the Company for our routine corporate transactions.
- To make loans and/or give guarantees, bonds and /or counter guarantees and indemnities or provide securities on behalf of the Company and to authorise signatories to sign and execute agreements and documents and to do all act, deeds and things in this matter on behalf of the Company.
- To incorporate Company and set-up Branch office, representative office and licensing office in India and Overseas.
- To institute, prosecute, defend, oppose, appear or appeal in legal proceedings and demands and to accept services of notices or processes and to give security or indemnities for costs, to pay money into court and obtain payment of money lodged in court and to engage Counsel, Advocates, Attorneys, Vakils, Pleader or other persons and to sign and give vakalatnamas, retainers and other necessary authorities and such retainer and authorisation from time to time at pleasure to revoke.
- To approve other transactions of routine nature (other than those matters which are expressly required by Act and Rule thereto to be passed at the meeting of the Board) as the Committee may deem fit and necessary for the purpose of the business of the Company which cannot be deferred to the next Board meeting.

b. Seven (7) meetings were held during the year on the following dates:

14th April, 2022, 13th June, 2022, 28th October, 2022, 11th November, 2022, 09th January, 2023, 27th January, 2023 and 24th February, 2023.

c. As on 31st March, 2023 the composition and attendance of members at the meetings of the Committee of Directors are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. N.D. Khurody*	Independent Director	Chairman (upto 26.09.2022)	7	2
Mr. P. N. Kapadia	Independent Director	Member	7	7
Mr. Umesh Khanna	Non-Executive Director	Member	7	6
Mr. S Paramasivan*	Managing Director	Chairman (w.e.f 26.09.2022)	7	7

* Mr. Nawshir D. Khurody second term as an Independent Director expired on 26th September 2022. Mr. Nawshir D. Khurody was the Chairman of Committee of Directors upto 26th September 2022. The Board of Directors at its meeting held on 26th September 2022 had appointed Mr. S. Paramasivan as the Chairman of the Committee of Directors.

IX. GENERAL BODY MEETINGS

a. The details of the Annual General Meetings (AGM) held in the last 3 years:

For Financial Year ended	Location	Date of AGM	Time
31.03.2022	registered office of the Company	29.09.2022	4.30 p.m
31.03.2021	registered office of the Company (through Video Conferencing)	27.09.2021	4.30 p.m
31.03.2020	registered office of the Company(through Video Conferencing)	30.09.2020	4.30 p.m

b. Details of Extra Ordinary General Meeting **(EGM)** held in the last 3 years:

There was no EGM held in the last 3 years.

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

46th AGM 29.09.2022	i. To vary the terms of remuneration of Mr. K. Subramanian (DIN: 00047592) Executive Vice Chairman of the Company for the remaining tenure of his appointment i.e. from 1st July 2022 to 30th June 2023. ii. To vary the terms of remuneration of Mr. S. Paramasivan (DIN: 00058445) Managing Director of the Company for the remaining tenure of his appointment i.e. from 1st July, 2022 to 30th June 2023 iii. To re-appoint and fix the remuneration of Mr. Giridhar Rajagopalan (DIN: 02391515) as whole-time Director designated as Deputy Managing Director of the Company for a term of 3 years i.e. from 1st July 2022 to 30th June 2025. iv. To vary the terms and conditions of 25,00,00,000 (Twenty Five Crores) 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores only) of the Company held by Goswami Infratech Private Limited. v. To vary the terms and conditions of 10,00,00,000 (Ten Crores) 0.01% Non-Cumulative and Non-Profit Participatory Convertible Preference Shares having face value of ₹ 10/- each aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crores only) of the Company held by Floreat Investments Private Limited. vi. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores.
45th AGM dated 27.09.2021	i. To appoint Mr. Giridhar Rajagopalan (DIN: 02391515) as Deputy Managing Director of the Company for remaining tenure of his appointment i.e. 30th June, 2022. ii. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores.
44th AGM dated 30.09.2020	i. To re-appoint and fix remuneration of Mr. K. Subramanian, (DIN: 00047592) as an Executive Vice Chairman of the Company for a period of term of 3 years from 1st July, 2020 to 30th June 2023. ii. To re-appoint and fix remuneration of Mr. S.Paramasivan (DIN: 00058445) as a Managing Director of the Company for a period of term of 3 years from 1st July, 2020 to 30th June 2023. iii. To vary the terms of remuneration of Mr.Giridhar Rajagopalan (DIN: 02391515) as Whole-time Director designated as Executive Director (Technical) of the Company. iv. To vary the terms of remuneration of Mr.Akhil Kumar Gupta (DIN: 03188873) as Whole-time Director designated as Executive Director (Operations) of the Company. v. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores.

During the year under review, the Company has not passed any resolutions through Postal Ballot.

X. DISCLOSURES

There were no materially significant related party transactions during the financial year 2022-23 that may have potential conflict with the interests of the Company at large. The detail of the related party transactions as per IND AS 24 are included in the notes to accounts forming part of the Annual Reports.

XI. MEANS OF COMMUNICATION

a. The Company has its own website and all the vital information relating to the Company is displayed on the website. Address of the website is https://www.afcons.com/en

b. Annual Report containing Inter alia, Audited Annual Report, Financial Statements, Directors Report, Auditors Report and other important information is circulated to the members and others entitled thereto.

XII. GENERAL SHAREHOLDERS INFORMATION

a. Annual General Meeting

Date	:	4th August, 2023
Time	:	4.30 pm
Venue	:	Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Andheri (W), Mumbai 400 053.

b.	Financial Year	:	1st April to 31st March
c.	Cut – Off Date/ Record Date	:	Friday, 28th July 2023
d.	Date of Book Closure	:	29th July, 2023 to 4th August 2023 (both days Inclusive)
e.	ISIN No.	:	INE101I01011
f.	Registrar & Share Transfer Agent	:	Cameo Corporate Services Limited Subramanian Building, 1 Club House Road, Chennai-600002. Tel. No.:044-28460390 Email id.: afcons@cameoindia.com
g.	CIN	:	U45200MH1976PLC019335
h.	Tel	:	+91 22 67191000
i.	Email id	:	secretarial@afcons.com
j.	website	:	www.afcons.com

XIII. SHAREHOLDING PATTERN AS ON 31st MARCH, 2023

Sr. No.	Category	No. of Shares	% of total
1.	Promoter's holding		
	Indian Promoters -Bodies Corporate	62121581	86.32
	Sub total (1)	**62121581**	**86.32**
2.	Non Promoters Holding		
	Companies / Bodies Corporate	8129589	11.29
	Employees Trust	1191370	1.66
	Directors & their Relatives	110057	0.15
	Employees / Retired Employees / General Public	409861	0.57
	Subtotal (2)	**9840877**	**13.67**
3.	Investor Education Protection Fund (3)	7780	0.01
	Total (1+2+3)	**71970238**	**100.00**

XIV. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2023

Number of Shares	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 to 100	55	13.9594	4241	0.0059
101 to 500	222	56.3452	60662	0.0843
501 to 1000	28	7.1066	22354	0.0311
1001 to 2000	13	3.2995	20124	0.0280
2001 to 3000	7	1.7766	18096	0.0251
3001 to 4000	7	1.7766	24657	0.0343
4001 to 5000	3	0.7614	13768	0.0191
5001 to 10000	21	5.3299	143156	0.1990
10001 & above	38	9.6447	71663180	99.5734
Total	394	100.0000	71970238	100.0000

XV. Address for Correspondence:

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

INDEPENDENT AUDITOR'S REPORT

To The Members of

AFCONS INFRASTRUCTURE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Afcons Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information in which are incorporated the Returns for the year ended on that date of the Company's 21 branches located at Mauritius, Mozambique, Gabon, Zambia, Mauritania, Ghana, Bhutan, Bangladesh, Liberia, Tanzania, Kuwait, Maldives, Indonesia, Qatar, Peru, Ivory Coast, Jordan, Oman, Abu Dhabi, Bahrain and Benin and which includes 16 jointly controlled operations accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the branch auditors and other auditors on separate financial statements of the branches and jointly controlled operations referred to in the Other Matters section below, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Responsibility 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 the Rules made thereunder, 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 obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

1. We draw attention to Note no. 40 of the standalone financial statements, which describes the uncertainties relating to the outcome of the negotiation/ proceedings in arbitration and High Court in respect of variations recognised by the company in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 40, the management of the company is of the view that the amounts recognised as amount due from customers under construction contracts, are considered as good and fully recoverable and no provision is considered necessary at this stage.

2. Audit report on the Financial Statements of Transtonnelstroy Afcons Joint Venture (a jointly controlled operation included in the Standalone Financial Statements of the Company) includes an emphasis of matter as under:

   "We draw attention to Note 34 to the Financial Statements, which describes the uncertainties relating to the outcome of the negotiation, proceedings in arbitration, High Court and Supreme Court in respect of variations recognised by the joint venture in earlier years in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by legal opinion, the management is of the view that the amounts recognised as amount due from customers under construction contracts and trade receivable including interest on trade receivables as per arbitration award, are considered as good and fully recoverable and no provision is considered necessary at this stage.

   Our opinion is not modified in respect of this matter."

   Note 34 as described above is reproduced as Note 37 to the Standalone Financial Statements.

3. Audit report on the Financial Statements of Afcons Gunanusa Joint Venture (a jointly controlled operation included in the Standalone Financial Statements of the Company) includes an emphasis of matter as under:

   "We draw attention to Note 27 to the Financial Statements, which describes the uncertainties relating to the outcome of the arbitration proceedings in respect of claims recognized by the Joint Venture in the earlier years, on account of change orders.

   Based on the Management's estimates and technical evaluation of the recoverability in terms of the provisions of the contract, which is supported by external legal opinion, the management is of the view that the amounts recognized as amount due from customers under construction contract are considered as good and fully recoverable and no provision is considered necessary at this stage.

   Our opinion is not modified in respect of this matter."

   Note 27 as described above is reproduced as Note 36 to the Standalone Financial Statements.

4. Audit report on the Financial Statements of Dahej Standby Jetty Project Undertaking (a jointly controlled operation included in the Standalone Financial Statements of the Company) includes an emphasis of matter as under:

"We draw attention to Note no. 23 to the Financial Statement, which describes the uncertainties relating to the outcome of the Hon'ble High Court Delhi, proceedings, where the Joint Venture has filed appeal to set aside an unfavourable award granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture.

Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid client claims which are already encashed and claims filed by the Joint Venture against the client, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 23, the management is of the view that the amounts recognised as amount due from customers under construction contracts and other receivable, are considered as good and fully recoverable and no provision is considered necessary at this stage.

Our opinion is not modified in respect of this matter."

Note 23 as described above is reproduced as Note 38 to the Standalone Financial Statements.

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexures to Board's report, but does not include the consolidated financial statements, 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 during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 Company and its branches and jointly controlled operations to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the branch auditors or other auditors, such branch auditors and 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.

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

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

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

Other Matters

1. We did not jointly audit the financial statements/ financial information of 12 branches and 16 jointly controlled operations included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 5,188.80 Crores as at March 31, 2023 and total revenue of Rs. 4,204.16 Crores for the year ended on that date, as considered in the standalone financial statements. The financial statements / financial information of these branches and jointly controlled operations have been audited by the branch auditors or either of us in our individual capacity or jointly with other auditors or other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and joint operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branches and jointly controlled operations, is based solely on the report of such branch auditors, report issued by either of us in our individual capacity or jointly with other auditors and other auditors.

2. We did not jointly audit the financial statements / financial information of 9 branches whose financial statements / financial information reflect total assets of Rs. 453.10 Crores as at March 31, 2023 and total revenues of Rs. 9.02 Crores for the year ended on that date, as considered in the standalone financial statements. These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements /financial information are not material to the Company.

   Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements / financial information certified by the Management.

3. The Company's standalone financial statements for the year ended March 31, 2022, were jointly audited by Price Waterhouse Chartered Accountants LLP, Chartered Accountants (predecessor joint auditor) and HDS & Associates LLP, Chartered Accountants, who vide their report dated July 29, 2022, expressed an unmodified opinion on standalone financial statements.

Our opinion on the standalone financial statements is not modified in respect of the above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and based on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches and jointly controlled operations, referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company and its jointly controlled operation company so far as it appears from our examination of those books and the reports of the other auditors and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

   c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and with the returns received from the branches not visited by us.

   e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   f) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its jointly controlled operation company incorporated in India, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its jointly controlled operation company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements of those companies.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Further, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of a jointly controlled operation company incorporated in India, the said jointly controlled operation company being private companies, section 197 of the Act related to the managerial remuneration is not applicable.

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, as amended 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 30, 36, 37, 38, 41, 42, 43 and 44 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 18 to the standalone financial statements. Further the Company did not have any material foreseeable losses on 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.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the jointly controlled operation company incorporated in India.

iv. (a) The respective Management of the Company and one of its jointly controlled operation which is a company incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such jointly controlled operation respectively that, to the best of it's knowledge and belief, as disclosed in the note 47(x) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or such jointly controlled operation company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or such jointly controlled operation company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Management of the Company and one of its jointly controlled operation which is a company incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such jointly controlled operation respectively that, to the best of it's knowledge and belief, as disclosed in the note 47(x) to the financial statements, no funds have been received by the Company or such jointly controlled operation from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or such jointly controlled operation company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the jointly controlled operation which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The preference dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 12(B) and 12.10 to the standalone financial statements, the Board of Directors of the Company has proposed dividend on equity and preference shares for the year 2022-2023, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

The jointly controlled operation which is a company incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order")issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 23049660BGYEEU8724

Place: Mumbai
Date: June 16, 2023

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 23030035BGVZNN3435

Place: Mumbai
Date: June 16, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **Afcons Infrastructure Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements of the Company's one of its jointly controlled operation which is company incorporated in India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 and the audit evidence obtained by the other auditors of the jointly controlled operation which is a company incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on internal financial controls with reference to standalone financial statements of the jointly controlled operation company referred to in the Other Matter paragraph below, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statements insofar as it relates to 1 jointly controlled operation which is a company incorporated in India, is based on the corresponding report of the other auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**	For **HDS & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm Registration No. 117366W/ W-100018	Firm Registration No. W-100144
Nilesh Shah	**Suresh K. Joshi**
Partner	Partner
Membership No. 049660	Membership No. 030035
UDIN: 23049660BGYEEU8724	**UDIN: 23030035BGVZNN3435**
Place: Mumbai	Place: Mumbai
Date: June 16, 2023	Date: June 16, 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Afcons Infrastructure Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, so to cover all the items once every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans and guarantees, are held in the name of the Company based on the confirmations directly received by us from custodians.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has made investment in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans or advances in the nature of loans and stood guarantee during the year and details of which are given below. The Company has not provided security to any other entity during the year.

(Rs. in Crores)

	Loans or Advances in nature of loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	6.97	18.73
- Joint Ventures	313.86*	438.67
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	0.01	18.73
- Joint Ventures	49.75*	438.67

* The aforesaid balances are not reflected in the financial statements as these are eliminated while preparing the Standalone financial statements of the company as per accounting policy described in Note 1.B.2.a to the financial statements. Hence loan or advances in nature of loan is not considered for the reporting under this clause.

(b) The investment made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

(d) In respect of the loans granted or advances in nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the overdue amount remaining outstanding as at balance sheet date.

(e) In respect of the loans/advances in nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on whether the loans granted or advances in nature of loans fell due during the year and were renewed or extended.

(f) The Company has granted Loans or advances in the nature of loans which are without specifying any terms or period of repayment details of which are given below:

(Rs. in Crores)

	All Parties*	Promoters	Related Parties
Aggregate of loans/advances in nature of loans			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	320.83	-	320.83
Total (A+B)	320.83	-	320.83
Percentage of loans/advances in nature of loans to the total loans	100%	-	100%

* The loan or advances in nature of loan granted to Jointly controlled operations amounting to Rs. 313.86 Crores is eliminated while preparing the standalone financial statements as per the accounting policy Note 1.B.2.a.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of grant of loans and providing guarantees and securities, as applicable. The Company has also complied with Section 186 of the Companies Act, 2013 in respect of making investments, as applicable. Attention is invited to note 39 of the financial statements regarding reliance placed on the legal opinion obtained by the management in the matter of non-applicability of section 186 of the Companies Act 2013 in relation to loan made, guarantee given or security provided as the company is in the business of constructing and delivering infrastructure facilities.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities, though there has been a delay in few cases in respect of remittance of Provident Fund, Profession Tax and Goods and Service Tax and also delay in deduction of tax deducted at source of Rs. 3.64 Crores which has subsequently been paid along-with interest on June 09, 2023.

Also, refer note 30 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable except the following:

Name of statute	Nature of dues	Amount (Rs. in Crores)	Period to which amount relates	Due date	Date of subsequent payment
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	0.04	AY 2022-23	Various	Not yet paid
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	0.19	AY 2023-24	Various	Not yet paid

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Total Amount Rs. in Crores	Unpaid Amount Rs. in Crores *
The Income Tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	AY 2016-17	9.68	7.92
The Income Tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	AY 2017-18	15.49	15.49
The Income Tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	AY 2020-21	31.94	31.94
The Finance Act 1994	Service Tax	Appellate Authority – Tribunal	AY 2008 to 2019	66.78	64.10

Name of the statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Total Amount Rs. in Crores	Unpaid Amount Rs. in Crores *
Local Sales Tax Acts applicable in respective States (West Bengal, Andhra Pradesh, Tamilnadu and Madhya Pradesh)	Sales Tax	Appellate Authority– up to Commissioner's level	AY 1986 to 1991 and 1993 to 2000	0.85	0.56
Local Sales Tax Acts applicable in respective States (West Bengal)	Sales Tax	Appellate Authority– Tribunal Level	AY 1988 to 1990 and 1998 to 1999	0.16	0.16
Local Sales Tax Acts applicable in respective States (Orissa)	Sales Tax	At High court	AY 2000 to 2001	1.36	0.31
Value Added Tax Acts applicable in respective states (West Bengal, Karnataka, Maharashtra and Uttar Pradesh)	Value Added Tax	Appellate Authority– up to Commissioner's level	AY 2008 to 2010 and 2013 to 2018	8.83	0.89
The Central Goods and Service Tax Act, 2017 (Uttar Pradesh)	Goods and Service tax	Joint Commissioner - Appeal	AY 2020-21	3.11	3.11
UP Goods & Service Tax, 2017 (Uttar Pradesh)	Goods and Service tax	Joint Commissioner - Appeal	AY 2020-21	3.11	3.11

*Amount unpaid is net of the amounts paid under protest.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

Loan or advances in nature of loan received from Jointly controlled operations are eliminated while preparing the standalone financial statement as per the accounting policy 1.B.2 a). Hence, the same is not considered for the reporting under this clause.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its jointly controlled operations or its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its jointly controlled operations or subsidiaries.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of the audit report.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary companies or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) Based on the information and explanations provided by the management of the Company, the Group has more than one CIC as part of the group. There are five CICs forming part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

Following matters have been reported by the auditors of Afcons Sener LNG Construction Projects Private Limited (jointly controlled operation company) under the report on the matters specified in paragraphs 3 and 4 of the companies (Auditor's report) order, 2020 (CARO) on the financial statements of that jointly controlled operation company which have been reproduced under this clause by us as under:

"The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year."

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 23049660BGYEEU8724

Place: Mumbai
Date: June 16, 2023

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 23030035BGVZNN3435

Place: Mumbai
Date: June 16, 2023

Standalone Balance Sheet as at 31st March, 2023 (₹ in Crores)

	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	2,397.20	2,238.73
	(b) Capital work-in-progress	3.B	183.60	17.53
	(c) Right-of-use assets	3.D	48.72	65.56
	(d) Intangible assets	3.C	0.61	0.65
	(e) Financial assets			
	(i) Investments	4	12.35	12.41
	(ii) Trade receivables	5	651.22	678.88
	(iii) Loans	6	-	2.23
	(iv) Other financial assets	7	364.52	308.69
	(f) Contract assets	8	1,416.49	1,491.29
	(g) Non current tax assets (net)	11	28.80	68.72
	(h) Other non-current assets	8.2	181.54	196.64
	Total non-current assets		**5,285.05**	**5,081.33**
2	**Current assets**			
	(a) Inventories	9	1,570.66	1,246.82
	(b) Financial assets			
	(i) Trade receivables	5	2,045.52	2,188.94
	(ii) Cash and cash equivalents	10	112.95	206.50
	(iii) Bank balances other than (ii) above	10.1	49.47	71.12
	(iv) Loans	6	14.89	21.68
	(v) Other financial assets	7	397.68	91.64
	(c) Contract assets	8	3,115.82	2,333.19
	(d) Other current assets	8.2	1,045.93	1,158.56
	Total current assets		**8,352.92**	**7,318.45**
	Total assets (1+2)		**13,637.97**	**12,399.78**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12.A	71.97	71.97
	(b) Instruments entirely equity in nature	12.B	450.00	450.00
	(c) Other equity	13	2,146.91	1,716.85
	Equity attributable to shareholders of the Company		**2,668.88**	**2,238.82**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	596.48	401.89
	(ii) Lease Liabilities		15.68	34.20
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		51.95	29.05
	(b) Total outstanding due to creditors other than micro and small enterprises		420.89	410.68
	(iv) Other financial liabilities	16	156.88	188.09
	(b) Contract liabilities	17	1,524.03	1,766.30
	(c) Provisions	18	8.87	7.01
	(d) Deferred tax liabilities (net)	21	99.29	104.61
	Total non-current liabilities		**2,874.07**	**2,941.83**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	981.48	1,159.11
	(ii) Lease Liabilities		33.75	33.83
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		375.93	303.81
	(b) Total outstanding due to creditors other than micro and small enterprises		3,064.89	2,301.36
	(iv) Other financial liabilities	16	362.21	489.48
	(b) Contract liabilities	17	2,900.13	2,709.30
	(c) Provisions	18	150.02	147.82
	(d) Current tax liabilities (net)	19	93.55	15.35
	(e) Other current liabilities	17.1	133.06	59.07
	Total current liabilities		**8,095.02**	**7,219.13**
	Total liabilities (A+B)		**10,969.09**	**10,160.96**
	Total equity and liabilities (1+2)		**13,637.97**	**12,399.78**
	See accompanying notes 1 to 54 forming part of the standalone financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

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

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 16th June, 2023

Standalone Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Crores)

Sr. No.	Particulars	Note	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	Revenue from operations	22	12,466.61	10,498.55
2	Other income	23	216.89	293.96
3	**Total income (1 + 2)**		**12,683.50**	**10,792.51**
4	**Expenses**			
	(a) Cost of material consumed	24	3,752.97	2,915.03
	(b) Cost of construction	24.1	5,139.80	4,845.04
	(c) Cost of traded goods	25	71.12	85.50
	(d) Employee benefits expense	26	1,267.80	1,038.73
	(e) Finance costs	27	444.14	423.22
	(f) Depreciation and amortisation expense	28	468.80	351.22
	(g) Other expenses	29	915.85	850.73
	Total expenses		**12,060.48**	**10,509.47**
5	**Profit before tax (3 - 4)**		**623.02**	**283.04**
6	**Tax expense:**	21		
	(a) Current tax		189.39	127.63
	(b) Deferred tax		(4.62)	(103.89)
	(c) Tax expense relating to prior year (net)		28.58	-
	Total tax expenses		**213.35**	**23.74**
7	**Profit for the year (5 - 6)**		**409.67**	**259.30**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investment measured at FVTOCI		(0.40)	0.49
	(b) Remeasurements of defined benefit plans		(2.80)	(13.63)
	Add : Tax effect		0.70	3.43
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation		22.94	(5.90)
			20.44	**(15.61)**
9	**Total comprehensive income for the year (7 + 8)**		**430.11**	**243.69**
10	**Earnings per share (Face value of ₹ 10 each):**	32		
	(a) Basic earnings per share (rupees)		12.02	7.61
	(b) Diluted earnings per share (rupees)		12.02	7.61
	See accompanying notes 1 to 54 forming part of the standalone financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
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NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 16th June, 2023

Standalone Statement of changes in equity for the year ended 31st March, 2023

a) Equity share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2021	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2022	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	**71.97**

b) Instruments entirely equity in nature
Preference share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2021	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2022	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2023	**450.00**

c) Other Equity (₹ in Crores)

Particulars	Reserve and surplus							Items of other comprehensive income		Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contingencies reserve	Debenture redemption reserve	General reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income	
Balance as at 1st April, 2021	0.19	0.13	10.28	8.00	43.75	65.70	1,373.12	(21.98)	19.21	**1,498.40**
Profit for the year	-	-	-	-	-	-	259.30	-	-	**259.30**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	(10.20)	(5.90)	0.49	**(15.61)**
Total comprehensive income for the year	0.19	0.13	10.28	8.00	43.75	65.70	1,622.22	(27.88)	19.70	**1,742.09**
Dividends including tax thereon	-	-	-	-	-	-	(25.24)	-	-	**(25.24)**
Transferred to / (from) retained earnings	-	-	-	-	(43.75)	-	43.75	-	-	**-**
Balance as at 31st March, 2022	**0.19**	**0.13**	**10.28**	**8.00**	**-**	**65.70**	**1,640.73**	**(27.88)**	**19.70**	**1,716.85**
Balance as at 1st April, 2022	0.19	0.13	10.28	8.00	-	65.70	1,640.73	(27.88)	19.70	**1,716.85**
Profit for the year	-	-	-	-	-	-	409.67	-	-	**409.67**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	(2.10)	22.94	(0.40)	**20.44**
Total comprehensive income for the year	0.19	0.13	10.28	8.00	-	65.70	2,048.30	(4.94)	19.30	**2,146.96**
Dividends including tax thereon	-	-	-	-	-	-	(0.05)	-	-	**(0.05)**
Balance as at 31st March, 2023	**0.19**	**0.13**	**10.28**	**8.00**	**-**	**65.70**	**2,048.25**	**(4.94)**	**19.30**	**2,146.91**

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

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

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Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 16th June, 2023

Standalone Cash Flow Statement for the year ended 31st March, 2023 (₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cash flow from operating activities		
Profit before tax	623.02	283.04
adjustments for :		
Depreciation and amortisation expense	468.80	351.22
Loss on property, plant and equipment sold/scrapped (net)	21.23	6.52
Dividend income	-	(45.17)
Interest income recognised in profit or loss	(41.19)	(63.74)
Insurance claim received	(17.43)	(28.37)
Finance costs	444.14	423.22
Bad debts/unbilled revenue and sundry debit balances written off	2.19	2.07
Provision for doubtful debtors / advances no longer required written back	(19.12)	(38.37)
Creditors / excess provision written back	(4.28)	(26.43)
Provision for expected credit loss	22.93	26.07
Provision for Doubtful Debtors / Advances	-	79.28
Provision for projected losses on contract (net)	3.01	(19.00)
Net exchange difference	(73.72)	(11.19)
Operating profit before working capital changes	**1,429.58**	**939.15**
(Increase) / decrease in trade receivables (including retention monies)	168.57	(37.14)
(Increase) in inventories	(323.84)	(360.30)
(Increase) in contract assets	(713.06)	(21.47)
(Increase) / decrease in financial assets	(310.50)	44.46
(Increase) / decrease in non financial assets	150.86	(190.78)
Increase / (decrease) in trade payable	874.90	(158.66)
Increase in contract liabilities	12.65	484.85
(Decrease) in financial liabilities	(64.00)	(25.23)
Increase in non financial liabilities	73.99	2.55
Increase / (decrease) in provisions	(1.78)	8.79
Cash from Operations	**1,297.37**	**686.22**
(Payment) of Income Tax	(99.87)	(116.41)
Net Cash flow from operating activities	**1,197.50**	**569.81**
Cash flow from investing activities		
Payments for property, plant and equipment	(876.31)	(356.10)
Proceeds from sale of property, plant and equipment	8.84	4.12
Purchase of Investments	(0.33)	-
Dividend received	-	45.17
Investment in other bank balance redeemed	74.79	22.78
Investment in other bank balance (made)	(63.56)	(5.20)
Interest received	9.26	53.99
Insurance claim received	17.43	28.37
Net Cash flow (used in) investing activities	**(829.88)**	**(206.87)**
Cash flow from financing activities		
Proceeds from long-term borrowings	374.34	204.43
Repayment of long-term borrowings	(179.75)	(275.18)
Proceeds / (repayment) from short-term borrowings - net	(176.23)	45.40
Finance costs paid	(445.54)	(427.55)
Principal element of lease payments (net)	(43.45)	(37.65)
Dividend paid on equity shares (including tax thereon) (Interim)	-	(25.19)
Dividend paid on preference shares (including tax thereon)	(0.05)	(0.05)
Net Cash flow (used in) financing activities	**(470.68)**	**(515.79)**
Net decrease in cash and cash equivalents	**(103.06)**	**(152.85)**
Cash and cash equivalents at the beginning of the year	206.50	363.61
Effects of exchange rate changes on cash and cash equivalents	9.51	(4.26)
Cash and cash equivalents at the end of the year	**112.95**	**206.50**

Notes

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

Standalone Cash Flow Statement for the year ended 31st March, 2023 (Continued)

Net debt reconciliation

(₹ in Crores)

Particulars	31st March, 2023	31st March, 2022
Cash and Cash equivalent	112.95	206.50
Liquid investments	49.47	71.12
Finance lease obligations	(49.43)	(68.03)
Borrowings	(1,577.96)	(1,561.00)
Net Debt	**(1,464.97)**	**(1,351.41)**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalent	Liquid investment	Finance lease obligations	Borrowings	
Net Debt as on 1st April, 2021	**363.61**	**90.22**	**(27.65)**	**(1,590.68)**	**(1,164.50)**
Cash flows	(152.85)	(19.10)	-	25.35	**(146.60)**
Acquisitions - finance leases	-	-	(33.68)	-	**(33.68)**
Foreign exchange adjustments	(4.26)	-	(0.02)	-	**(4.28)**
Interest expense	-	-	(6.68)	(199.34)	**(206.02)**
Interest paid	-	-	-	203.67	**203.67**
Net debt as on 31st March, 2022	**206.50**	**71.12**	**(68.03)**	**(1,561.00)**	**(1,351.41)**
Cash flows	(103.06)	(21.65)	-	(18.36)	**(143.07)**
Disposals - finance leases	-	-	23.72	-	**23.72**
Foreign exchange adjustments	9.51	-	0.00	-	**9.51**
Interest expense	-	-	(5.12)	(237.68)	**(242.80)**
Interest paid	-	-	-	239.08	**239.08**
Net debt as on 31st March, 2023	**112.95**	**49.47**	**(49.43)**	**(1,577.96)**	**(1,464.97)**

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
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Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 16th June, 2023

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023

Note 1: General information

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

The address of its registered office is “Afcons House”, 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Company and its subsidiaries and control operations (the “Company”) are infrastructure activities. Afcons has a presence in almost the entire spectrum of infrastructure activities in India and overseas. The Company is engaged in marine works, highways, bridges, metro works, power houses, tunnels, oil and gas, LNG tanks and other general civil engineering projects both in India and overseas.

Standards issued and effective from April 01, 2022:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

Ind AS 103- Business Combinations

The amendments replaced the reference to the ICAI’s “Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards” with the reference to the “Conceptual Framework for Financial Reporting under Indian Accounting Standard” without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

Ind AS 16 - Property, Plant and Equipment

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

There were certain amendments to standards and interpretations which are applicable for the first time for the year ended 31 March 2023, but either the same are not relevant or do not have an impact on the financial statements of the company.

Standards issued but not yet effective

On March 31, 2023, Ministry of Corporate Affairs (“MCA”) amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its financial statements.

The company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

A. Basis of Preparation

i) Compliance with Ind AS

The standalone financial statements of Afcons Infrastructure Limited (“The Company” or “Afcons”) has been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (‘Ind AS’) notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended time to time) and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs.

ii) Historical cost convention

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

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

iii) Operating cycle

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

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

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

All other liabilities are classified as non-current.

B. Significant accounting policies

1.B.1. Goodwill

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

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

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

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

1.B.2. a) Interests in Jointly Controlled Operations

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

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

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

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

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

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

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

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

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

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

1.B.2. b) Interest in unincorporated Joint ventures

When the Company enters into a joint venture (JV) arrangement with other parties and an unincorporated vehicle is formed which has a separate status for tax purposes (i.e. Association of person/Body of individual etc.) and if as per the terms of agreement, the Company remains liable for all the liabilities of the unincorporated vehicle and is also responsible for funding or contributing assets to the unincorporated vehicle for construction activity, this unincorporated vehicle (also considered and called as Jointly Controlled Operation) has been considered as an extension of Company from accounting point of view and assets, liabilities, revenue and expenses have been consolidated on the basis of its share in the operations in the separate financial statement of the Company.

1.B 3. Revenue recognition

Sale of goods

Revenue from sale of goods is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control as per the incoterms. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Rendering of services:

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Construction contracts:

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

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

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

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to customers are generally due upon expiration of the contract period.

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

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Dividend and interest income

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

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

1.B.4. Foreign currencies

(i) Functional and presentation currency

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

A) Foreign Branches of the Company: -

1. Income and expense items are translated at the exchange rates at the dates of the transactions and all resulting exchange differences are recognised in the Statement of Profit and Loss.
2. Non-monetary assets and liabilities are measured in terms of historical cost in foreign currencies and are not translated at the rates prevailing at the reporting period. Monetary assets and liabilities are translated at the rates prevailing at the end of each reporting period. Exchange differences on translations are recognised in the Consolidated Statement of Profit and Loss.

(ii) Transactions and balances

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

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

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

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

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

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

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

1.B.5. Borrowing costs

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

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

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

1.B.6. Employee benefits

1.B.6.1 Retirement benefit costs and termination benefits

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

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

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

Defined benefit costs are categorised as follows:

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

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

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

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

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

1.B.6.2 Short-term and other long-term employee benefits

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

Provision for leave benefits to employees is based on actuarial valuation done by Projected Accrued Benefit Method at the reporting date.

1.B.7. Taxation

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

1.B.7.1 Current tax

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

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

1.B.7.2 Deferred tax

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

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

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

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

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

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

1.B.7.3 Current and deferred tax for the year

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

1.B.8 Property, plant and equipment

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

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

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipment - 5 years

Freehold land is not depreciated

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road making, Laboratory & Welding Equipment, Floating Equipment - 20 Years.

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

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

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

1.B.8.1 Capital work-in-progress

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

1.B.9 Intangible assets

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

Computer software - 5 years

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

1.B.10 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

1.B.11 Inventories

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

1.B.12 Provisions and contingent liabilities

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

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

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

1.B.13 Financial instruments

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

Initial Recognition

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

1.B.14 Financial assets

Classification and subsequent measurement of financial assets

1.B.14.1 Classification of financial assets

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

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

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

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

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

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

1.B.14.2 Subsequent measurement

Debt instruments

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

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

Fair value through other comprehensive income

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

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

Fair value through profit or loss

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

Equity instruments

Investments in equity instruments at FVTPL

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

Investments in equity instruments at FVTOCI

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

1.B.14.3 Impairment of financial assets

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

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

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

1.B.14.4 Effective interest method

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

1.B.14.5 De-recognition of financial assets

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

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

1.B.14.6 Foreign exchange gains and losses

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

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

1.B.15 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Treasury shares

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

1.B.15.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

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

1.B.15.2 De-recognition of financial liabilities

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

1.B.15.3 Foreign exchange gains and losses

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

1.B.16 Derivative financial instruments

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

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

1.B.17 Leases:

The Company as lessee:

Leases are recognised as a right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the company. Contracts may contain both lease and non-lease components. The Company has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

1) Lease Liabilities

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate (since the interest rate implicit in the lease cannot be easily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right of-use assets in a similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2) Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

3) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise assets having value less than ₹ 350,000.

The Company as lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

1.B.18 Earnings per share

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

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

1.B.19 Segment Reporting

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

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the Company and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 34 for segment information presented.

1.B.20 Credit Risk

The Company assess on a forward-looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Company considers historical credit loss experience and adjusted for forward-looking information. Note 48.8 details how the Company determines whether there has been a significant increase in credit risk.

1.B.21 Government grants, subsidies and export incentives

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

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

C. Critical estimates and judgements

a) Revenue recognition

The Company's revenue recognition policy, which is set out in Note B.3, is central to how the Company values the work it has carried out in each financial year.

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

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

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

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

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

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

b) Taxation

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

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

c) Contingencies

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

d) Useful lives of property, plant and equipment

As described in note B.8 above, the Company reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Impairment of trade receivables and contract assets

The Company has recognised trade receivables with a carrying value of ₹ 2,696.74 Crores (as at March 31, 2022: ₹ 2,867.82 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting period. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the Company. The same policies are followed for contract assets.

f) Retirement benefit obligations

Details of the Company's defined benefit pension schemes are set out in Note B.6, including tables showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

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

g) Arbitration claims

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

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

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

i) Classification of Joint Arrangement as a Jointly Controlled Operation/Joint Venture

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

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

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

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

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

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

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

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

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

Name of joint operations	Country of incorporation	Place of Activity	Principle Activity	Percentage holding-share
Afcons Vijeta PES Joint Venture	India	India	Infrastructure	100%
Afcons Sibmost Joint Venture	India	India	Infrastructure	100%
Dahej Standby Jetty Project undertaking	India	India	Infrastructure	100%
Afcons Gunanusa Joint Venture	India	India	Infrastructure	100%
Afcons Pauling Joint Venture	India	India	Infrastructure	100%
Afcons SMC Joint Venture	India	Tanzania	Infrastructure	100%
Afcons - Vijeta Joint Venture	India	India	Infrastructure	100%
Afcons JAL Joint Venture	India	India	Infrastructure	100%
Transtonnelstroy Afcons Joint Venture	India	India	Infrastructure	99%
Afcons KPTL Joint Venture	India	Bangladesh	Infrastructure	51%
Afcons Sener LNG Construction Projects Pvt.Ltd.	India	India	Infrastructure	49%
Ircon Afcons Joint Venture	India	Bangladesh	Infrastructure	47%
Strabag AG Afcons Joint Venture	India	India	Infrastructure	40%
Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd Joint Venture	India	Tanzania	Infrastructure	100%
Afcons - Vijeta J V	India	Zimbabwe	Infrastructure	100%
Afcons - Hindustan Joint Venture	India	India	Infrastructure	100%

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 3. Property, plant and equipments

A. Tangible assets

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	20.77	1.04	-	21.81	30.58
(c) Plant and equipment	2,859.20	410.80	(63.78)	3,206.22	1,284.65	297.13	(37.89)	1,543.89	1,662.33
(d) Furniture and fixtures	70.50	17.97	(7.21)	81.26	27.90	7.07	(3.82)	31.15	50.11
(e) Vehicles	47.24	3.82	(4.88)	46.18	24.51	4.08	(4.53)	24.06	22.12
(f) Office equipments	58.26	10.27	(3.07)	65.46	40.60	7.33	(2.63)	45.30	20.16
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	266.97	35.48	-	302.45	93.23	17.82	-	111.05	191.40
(i) Laboratory equipments	4.10	-	-	4.10	1.22	0.18	-	1.40	2.70
(j) Shuttering materials	392.13	96.01	-	488.14	284.08	71.33	-	355.41	132.73
(k) Accessories and attachments	135.68	41.22	-	176.90	75.25	21.05	-	96.30	80.60
Total	**4,093.73**	**615.57**	**(78.94)**	**4,630.36**	**1,855.00**	**427.03**	**(48.87)**	**2,233.16**	**2,397.20**

Previous year

Particulars	Previous year				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	19.73	1.04	-	20.77	31.62
(c) Plant and equipment	2,447.74	438.90	(27.44)	2,859.20	1,115.21	187.58	(18.14)	1,284.65	1,574.55
(d) Furniture and fixtures	60.36	12.04	(1.90)	70.50	22.96	5.92	(0.98)	27.90	42.60
(e) Vehicles	40.48	7.06	(0.30)	47.24	20.68	4.03	(0.20)	24.51	22.73
(f) Office equipments	50.44	9.31	(1.49)	58.26	35.57	6.32	(1.29)	40.60	17.66
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	268.02	7.87	(8.92)	266.97	85.66	16.37	(8.80)	93.23	173.74
(i) Laboratory equipments	4.07	0.03	-	4.10	1.04	0.18	-	1.22	2.88
(j) Shuttering materials	297.83	94.30	-	392.13	209.74	74.34	-	284.08	108.05
(k) Accessories and attachments	101.89	33.79	-	135.68	58.53	16.72	-	75.25	60.43
Total	**3,530.48**	**603.30**	**(40.05)**	**4,093.73**	**1,571.91**	**312.50**	**(29.41)**	**1,855.00**	**2,238.73**

Notes:

(1) Freehold land with a carrying amount of ₹ 203.00 Crores (as at 31st March 2022 ₹ 203.00 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i) and 20.

Buildings carrying amount of ₹ 22.68 Crores (as at 31st March 2022 ₹ 22.68 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i) and 20.

Plant and machinery, vehicles, office equipments, floating equipments, laboratory equipments and accessories & attachments with a carrying amount of ₹ 1,969.95 Crores (as at 31st March 2022 ₹ 1,823.66 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No.14.1.(i) and 20.

B. Capital Work-in-Progress under development:

Capital Work-in-Progress under development - Ageing Schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	183.60	-	-	-	**183.60**
Projects temporarily suspended	-	-	-	-	**-**

Previous Year	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	**Total**
Project in progress	17.53	-	-	-	**17.53**
Projects temporarily suspended	-	-	-	-	**-**

The Company does not have any CWIP whose completion is overdue or by has exceeded Its cost compared to its original plan and hence CWIP completion schedule is not applicable .

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

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

C. Intangible assets

(₹ in Crores)

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Amortisation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Computer software - acquired	13.14	-	-	13.14	12.49	0.04	-	12.53	0.61
Total	**13.14**	**-**	**-**	**13.14**	**12.49**	**0.04**	**-**	**12.53**	**0.61**

Previous year

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Amortisation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Computer software - acquired	12.92	0.22	-	13.14	12.47	0.02	-	12.49	0.65
Total	**12.92**	**0.22**	**-**	**13.14**	**12.47**	**0.02**	**-**	**12.49**	**0.65**

D. Right-of-use Asset

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2022	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Land	89.16	21.73	(5.33)	**105.56**	38.20	24.95	-	**63.15**	**42.41**
Buildings	75.08	21.03	(12.49)	**83.62**	60.48	16.78	0.05	**77.31**	**6.31**
Total	**164.24**	**42.76**	**(17.82)**	**189.18**	**98.68**	**41.73**	**0.05**	**140.46**	**48.72**

Previous year

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Land	31.36	57.80	-	**89.16**	15.97	22.23	-	**38.20**	**50.96**
Buildings	54.84	20.24	-	**75.08**	44.01	16.47	-	**60.48**	**14.60**
Total	**86.20**	**78.04**	**-**	**164.24**	**59.98**	**38.70**	**-**	**98.68**	**65.56**

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of Land or Building and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate);
- The Company also considers other factors including the costs and business disruption required to replace the leased asset;
- Most extension options in the leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No. 4. Non-current investments

	Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022	
			Quantity	Amount	Quantity	Amount
				₹ in Crores		₹ in Crores
A.	**Investments at cost**					
	Unquoted investments (fully paid)					
(a)	Investment in equity instruments :					
	(i) of subsidiaries					
	Hazarat & Co.Pvt.Ltd.	₹ 10	2,02,610	0.20	2,02,610	0.20
	Afcons Hydrocarbons Engineering Pvt. Ltd.	₹ 10	1,00,000	0.26	1,00,000	0.26
	Afcons Corrosion Protection Pvt. Ltd.	₹ 10	80,000	0.06	80,000	0.06
	Afcons Oil & Gas Services Pvt. Ltd	₹ 10	7,400	0.01	7,400	0.01
	Afcons Construction Mideast LLC.**	AED 1000	300	0.51	147	0.18
	Afcons Infrastructures Kuwait for Building, Road & Marine Contracting WLL.*	KD 1200	49	0.96	49	0.96
	Afcons Mauritius Infrastructure Ltd.	Euro 1	11,00,000	9.17	11,00,000	9.17
	Afcons Overseas Singapore Pte. Ltd.	SGD 1	50,000	0.24	50,000	0.24
	Afcons Saudi Constructions LLC	SAR 100	4,750	0.80	4,750	0.80
	(ii) of others related parties					
	Afcons (Mideast) Constructions & Investments Pvt. Ltd.	₹ 100	1	#	1	#
				12.21		11.88
	Less: Provision for diminution in value of investment ^			0.36		0.36
				11.85		**11.52**
	^ Provision is for Afcons Saudi Constructions LLC					
	* Subsidiary on the basis of control on the composition of the board of directors.					
	** During the current year Parent Company has acquired balance 51% shares of Afcons Construction Mideast LLC.					
	Investments carried at Cost (A)			**11.85**		**11.52**
B.	**Investment in equity instruments at fair value through other comprehensive income**					
	Quoted investments (fully paid)					
	(a) Investment in equity instruments :					
	Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	0.48	40,072	0.88
	Hindustan Construction Co. Ltd.	₹ 1	2,000	0.01	2,000	#
	Simplex Infrastructures Ltd.	₹ 2	500	#	500	#
	ITD Cementation India Ltd.	₹ 1	1,000	0.01	1,000	0.01
	Gammon India Ltd.	₹ 2	250	#	250	#
	Total aggregate quoted investments			**0.50**		**0.89**
	Unquoted investments (fully paid)					
	(b) Investment in equity instruments :					
	Simar Port Ltd.	₹ 10	1,000	#	1,000	#
	Total aggregate unquoted investments			**#**		**#**
	# Amount is below the rounding off norms adopted by the Company.					
	Total investments (A+B)			**12.35**		**12.41**
	Aggregate amount of quoted investments			0.30		0.30
	Aggregate market value of quoted investments			0.50		0.89
	Aggregate amount of unquoted investments			11.85		11.52

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

Particulars	As at 31st March, 2023	As at 31st March, 2022
Financial assets carried at FVTOCI - equity instruments	0.50	0.89
Financial Assets carried at amortised cost	11.85	11.52
	12.35	**12.41**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 5. Trade receivables (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
From Customers:				
a) Unsecured, Considered good (including retention monies)	1,792.14	648.06	1,790.17	675.72
b) Having Significant increase in credit risk	-	84.60	-	81.74
c) Credit Impaired	-	-	-	-
	1,792.14	732.66	1,790.17	757.46
Less: Allowance for bad and doubtful receivables (expected credit loss allowance)	-	84.60	-	81.74
	1,792.14	648.06	1,790.17	675.72
From Related parties	253.38	3.16	398.77	3.16
Total	**2,045.52**	**651.22**	**2,188.94**	**678.88**

Note No. 5.1.A. - Movement in allowance for bad and doubtful receivables (expected credit loss allowance) (₹ in Crores)

Particulars	Current	Non Current
Balance as at 31st March, 2021	-	**79.01**
Add: Created during the year	-	3.17
Less: Released during the year	-	0.44
Balance as at 31st March, 2022	-	**81.74**
Add: Created during the year	-	17.70
Less: Released during the year	-	14.84
Balance as at 31st March, 2023	-	**84.60**

Note No. 5.1.B. - Trade Receivables ageing schedule (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables						
(i) Considered good (Current)	906.79	144.96	316.35	266.20	209.37	**1,843.67**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	1.15	2.11	1.60	27.18	60.61	**92.65**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**
Disputed Trade Receivables						
(i) Considered good (Current)	0.03	141.65	59.40	0.01	0.76	**201.85**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	-	105.41	-	453.16	**558.57**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	**-**	**-**	84.60	**84.60**

Previous Year (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables						
(i) Considered good (Current)	1,146.45	314.77	246.79	239.31	177.09	**2,124.41**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	2.15	8.50	19.66	24.66	45.83	**100.80**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**
Disputed Trade Receivables						
(i) Considered good (Current)	0.03	22.90	40.83	0.01	0.76	**64.53**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	105.41	-	0.16	472.51	**578.08**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	81.74	**81.74**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 6. Loans (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Loans to related parties (unsecured, considered good)				
To Subsidiaries / fellow subsidiaries	0.98	-	0.95	2.23
To Joint operations	13.91	-	20.73	-
Total	**14.89**	**-**	**21.68**	**2.23**

These financial assets are carried at amortised cost

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Particulars	Amount Outstandng	Percentage to the total loans & advances in the nature of loans
Amounts repayable on demand		
- Promoters	-	0.00%
- Directors	-	0.00%
- Key managerial personnel	-	0.00%
- Other related party	14.89	100.00%

Note No 7. Other financial assets (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
(a) Interest on trade receivables as per arbitration awards (Including from related parties (Current) ₹ 56.28 Crores) (Previous year ₹ 56.28 Crores)	76.25	196.06	57.45	182.93
(b) Deposits (unsecured, considered good)				
(i) Security deposits	20.34	59.01	5.61	26.91
(ii) Other deposits	0.53	1.90	0.57	1.72
	20.87	60.91	6.18	28.63
(c) Advance to vendor recoverable in cash (Refer note 35.b)	271.79	-	-	-
(d) Other loans and advances (doubtful)	-	0.16	-	0.16
Less: provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
(e) Bank deposits having maturity of more than 12 months (given towards margin money / under lien)	-	28.27	-	17.85
(f) Others (includes Custom duty receivable, Encashment of Bank guarantee, etc.)	28.77	79.28	28.01	79.28
Total	**397.68**	**364.52**	**91.64**	**308.69**

Note No 8. Contract assets (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Contract assets				
Amounts due from customer under construction contracts				
Unsecured, considered good	3,115.82	1,469.62	2,333.19	1,539.19
Doubtful	-	-	-	-
	3,115.82	1,469.62	2,333.19	1,539.19
Less: Allowance for expected credit losses	-	53.13	-	47.90
Total	**3,115.82**	**1,416.49**	**2,333.19**	**1,491.29**

Note No. 8.1 - Movement in expected credit loss allowance (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Opening balance for loss allowance	-	47.90	-	25.00
Add: Loss allowance assessed for the current year (net of reversal)	-	5.23	-	22.90
Less: Reversal of loss allowance on account of debts written-off	-	-	-	-
Closing balance for loss allowance	**-**	**53.13**	**-**	**47.90**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 8.2 Other non-current and current assets (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
(a) Capital advances	-	21.79	-	21.60
(b) Pre-paid expenses	81.41	17.15	76.88	24.01
(c) Balances with government authorities				
(i) GST / VAT credit receivable	608.53	112.13	635.90	120.56
(ii) Service tax credit receivable	-	30.47	-	30.47
(iii) Duty credit receivables	-	-	1.20	-
	608.53	142.60	637.10	151.03
(d) Others				
(i) Advance to vendors and others (Refer note 35.b)	265.01	-	413.60	-
(ii) Other receivables	87.27	-	27.56	-
(iii) Advances to employees	3.71	-	3.42	-
	355.99	-	444.58	-
Total	**1,045.93**	**181.54**	**1,158.56**	**196.64**

Note No 9. Inventories - at lower of cost or net realisable value (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Construction materials		
Steel	789.30	578.59
Cement	20.96	16.00
Aggregate	105.49	75.03
Other construction material	280.27	270.20
	1,196.02	939.82
Stores and spares	374.64	307.00
	374.64	307.00
Total	**1,570.66**	**1,246.82**

Note No 10. Cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks	110.88	203.47
Cash on hand	2.07	3.03
Total	**112.95**	**206.50**

Note No 10.1. Bank balance other than cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earmarked balance with banks		
- Unpaid dividend accounts	0.03	0.11
- Balances held as margin money or security against borrowings, guarantees and other commitments	46.01	62.02
- Other earmarked accounts / escrow account	1.68	3.81
Deposits having maturity of more than 3 months but less than 12 months	1.75	5.18
Total	**49.47**	**71.12**

Note No 11. Non current tax assets (Net) (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance income tax (net of provisions ₹ 210.61 Crores) (As at 31st March, 2022 ₹ 128.93 Crores)	28.80	68.72
Total	**28.80**	**68.72**

Note No 12.(A). Equity share capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. Authorized:				
Equity share capital of ₹ 10 each	35,00,00,000	350.00	35,00,00,000	350.00
2. Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each. (Refer note 12.1 below)	7,19,70,238	71.97	7,19,70,238	71.97

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

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

A member has a right to receive dividend as may be proposed by the board and approved at the annual general meeting. The Equity shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provision of the Act. Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

12.2. Details of equity shares held by each shareholder holding more than 5% of shares of the Company and Details of Shareholding of Promoters:

Class of shares / name of shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Promoters:				
Shapoorji Pallonji & Company Private Limited	4,91,05,652	68.23	4,91,05,652	68.23
Floreat Investments Limited	1,30,15,929	18.09	1,30,15,929	18.09
Non Promoters:				
Renaissance Commerce Private Limited	40,24,619	5.59	40,18,690	5.58
Hermes Commerce Limited	40,54,970	5.63	40,16,250	5.58

12.3. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Issued, subscribed and fully paid up	
	Numbers (in Crores)	₹ in Crores
Equity shares outstanding as at 31st March, 2022	**7.20**	**71.97**
Changes in equity share capital during the period	-	-
Equity shares outstanding as at 31st March, 2023	**7.20**	**71.97**

Note No 12.(B). Instruments entirely equity in nature

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. Authorized:				
Preference shares of ₹ 10 each.	65,00,00,000	650.00	65,00,00,000	650.00
Total	**65,00,00,000**	**650.00**	**65,00,00,000**	**650.00**
2. Issued, subscribed and fully paid up:				
(a) 0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10 each. (Refer note 12.4 below)	10,00,00,000	100.00	10,00,00,000	100.00
(b) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.5 below)	25,00,00,000	250.00	25,00,00,000	250.00
(c) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.6 below)	10,00,00,000	100.00	10,00,00,000	100.00

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

(a) The preference shares shall be non- cumulative and non profit participating convertible Preference Shares carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares. The Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

(b) The terms of this Preference Shares have been varied with consent of the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018 whereby the preference shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25 per equity share (consisting of par of ₹ 10 and a premium of ₹ 58.25) immediately, automatically and without any further act of the parties in the event of conversion of the preference shares mentioned in note 12.5 (a) below.

(c) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

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

(a) The preference shares are automatically and mandatorily converted into equity shares on 13th January, 2024 ("mandatory conversion date") or any early date of conversion at the instruction of the Preference shareholder ("early conversion date"). The holder of the said preference shares has on 21st July 2022, requested the Company to vary the early conversion date to be effective from any time on or after 31st January 2023. The Company has obtained shareholder consent on 29th September 2022 for the variation of the early conversion date of the said preference share to be effective from any time on or after 31st January, 2023.

(b) On mandatory conversion date or the early conversion date, as the case maybe, the preference shares shall be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 17th July, 2020.

(c) The preference shares shall be entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares. The Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).

(e) The preference shares shall not confer any further right to participate in the profits or assets of the Company except as mentioned above.

(f) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

(g) The preference shares shall be transferable in accordance with the terms and conditions of the Articles and other provisions agreed between the Company and the preference shares holder

(h) The equity shares of the Company issued upon conversion of the preference shares will rank pari passu with the other equity shares existing on the conversion date and shall be transferable in accordance with the terms and conditions of the Articles.

In furtherance to the above, the holders of the said preference shares have vide their letter dated 9th June 2023, requested the terms of the said preference shares to be varied to bring about clarity in the aforesaid terms of the preference share as under :

(1) the equity shares of the Company to be issued on conversion shall at all times constitute atleast 72% (seventy-two per cent) of the outstanding equity shares of the Company on a fully diluted basis.

(2) the Board of Directors of the Company has duly approved the issuance and terms of the CCPS, including the right of the holder of the CCPS to freely transfer the CCPS and the equity shares to be issued on conversion of the CCPS and the Board of Directors of the Company shall not raise any objections under Article 37 of the Articles to any such transfer.

The Company has recommended the members at the ensuing Annual General Meeting to consent to the variation in the terms of preference shares as proposed by the holders of the said preference shares.

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

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 21st March, 2024 ("mandatory conversion date") i.e. on the expiry of ten year from the issue date. The mandatory conversion date of the 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares has been revised from 21st March, 2019 (5th year from the date of issue) to 21st March, 2024 (10th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) On mandatory conversion date, the preference shares shall be converted into such number of equity shares of the Company at the price of ₹ 132 per equity shares (consisting of par of ₹ 10 and a premium of ₹ 122).

(c) The preference shares shall be entitled to fixed non-cumulative dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares. The Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it.

(e) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

12.7. Details of preference shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares held	% holding	Number of shares held	% holding
0.01% Non cumulative and non profit participatory convertible preference shares				
Floreat Investments Limited	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Goswami Infratech Private Limited	25,00,00,000	100.00	25,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Shapoorji Pallonji & Company Private Limited	10,00,00,000	100.00	10,00,00,000	100.00

Note No 12.8. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares			Number of shares		
Shapoorji Pallonji & Company Private Limited, the holding company	4,91,05,652	-	10,00,00,000	4,91,05,652	-	10,00,00,000
Subsidiaries of the holding company:						
Floreat Investments Limited	1,30,15,929	10,00,00,000	-	1,30,15,929	10,00,00,000	-

Note No 12.9.

The word company used in the Balance Sheet and Statement of Profit & Loss including the accompanying notes to accounts is defined as "Afcons Infrastructure Limited" including all of its branches and Jointly Controlled Operations.

Note No. 12.10.

The Board of Directors at its meeting held on June 16, 2023 has recommended payment of dividend of ₹ 4 per equity share for the financial year 2022-2023 which is subject to the approval of the members at the ensuing Annual General Meeting of the Company.

Note No 13. Other Equity (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital reserve	0.19	0.19
Capital redemption reserve	0.13	0.13
Securities premium account	10.28	10.28
Contingency reserve	8.00	8.00
General reserve	65.70	65.70
Foreign exchange translation reserve through other comprehensive income	(4.94)	(27.88)
Retained earnings	2,048.25	1,640.73
Reserve for equity instruments through other comprehensive income	19.30	19.70
Total	**2,146.91**	**1,716.85**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Movement in other equity

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Capital reserve		
Opening balance	0.19	0.19
Closing balance	0.19	0.19
(b) Capital redemption reserve		
Opening balance	0.13	0.13
Closing balance	0.13	0.13
(c) Securities premium account		
Opening balance	10.28	10.28
Closing balance	10.28	10.28
(d) Contingencies reserve		
Opening balance	8.00	8.00
Closing balance	8.00	8.00
(e) Debenture redemption reserve		
Opening balance	-	43.75
Add : Transferred from / (to) surplus in Statement of Profit and Loss	-	(43.75)
Closing balance	-	-
(f) General reserve		
Opening balance	65.70	65.70
Closing balance	65.70	65.70
(g) Foreign currency translation reserve		
Opening balance	(27.88)	(21.98)
Add : Effect of foreign exchange rate variations during the year	22.94	(5.90)
Closing balance	(4.94)	(27.88)
(h) Retained earnings		
Opening balance	1,640.73	1,373.12
Add: Profit for the year	409.67	259.30
Add: Other items classified to other comprehensive income	(2.10)	(10.20)
Less: Appropriations		
Interim dividend on equity shares (₹ Nil) (previous year ₹ 3.50 per share)	-	25.19
Dividend on preference shares (₹ 0.001 per share) (previous year ₹ 0.001 per share)	0.05	0.05
Transferred to / (from) Debenture redemption reserve	-	(43.75)
Closing balance	2,048.25	1,640.73
(i) Reserve for equity instruments through other comprehensive income		
Opening balance	19.70	19.21
Net fair value gain/(loss) on investments in equity instruments measured at FVTOCI	(0.40)	0.49
Closing balance	19.30	19.70
Total	**2,146.91**	**1,716.85**

Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies

Capital redemption reserve

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

Securities premium account

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

Debenture redemption reserve

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

General reserve:

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

Foreign currency translation reserve:

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

Retained earning and dividend on equity shares:

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

Reserve for equity instrument measured through other comprehensive income

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

Note No 14. Non current borrowings (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Measured at amortised cost		
(a) Equipment loan (Secured) (Refer note 14.1.(i))		
From banks		
Rupee loan	479.52	378.29
(b) Other loans and advances		
Foreign Currency Loan (Secured) (Refer note 14.1.(ii))		
Buyers Credit from Banks	116.96	23.60
Total	**596.48**	**401.89**

14.1 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2023	As at 31st March, 2022
		Secured	Secured
14.1 (i) Equipment loan from banks			
Rupee loan:			
Axis Bank	Refer note 14.1 (iii) below	-	40.00
HSBC Bank		18.75	31.25
State Bank of India		80.00	120.00
SBM Bank		16.67	27.78
Export Import Bank of India		259.18	159.26
Punjab National Bank		68.83	-
Bank of Baroda		36.09	-
Total - Equipment loan		**479.52**	**378.29**
(ii) Other Loans and Advances from banks - Buyer's Credit Foreign Currency Loans			
State Bank of India	Refer note 14.1 (iv) below	116.96	-
Axis Bank		-	23.60
Total - Other loans and advances		**116.96**	**23.60**
Total long-term borrowings from banks		**596.48**	**401.89**

14.1 (iii). Secured by first pari passu charge on plant & machinery. The rupee loan of Axis Bank Limited carry interest @ 9.45% per annum, State Bank of India carry interest @ 9.15% per annum,HSBC Limited carry interest @ 8.45% per annum, SBM Bank carry interest @ 9.20% per annum and Export Import Bank of India carry interest of Loan no 1 @ 10% per annum and Loan no 2 @ 9.25% per annum, Bank of Baroda carry interest in the range of @ 7.85% to 8.30% per annum, Punjab National Bank carry interest @ 8.90% per annum. The repayment schedule of the loans are as follows:

As at 31st March, 2023 (₹ in Crores)

Nature	Bank name	Loan amount	Repayment schedule
Rupee Loan	HSBC Bank	18.75	Semi annual installment of ₹ 6.25 Crores upto 2025-26
	State Bank of India	80.00	Semi annual installment of ₹ 20 Crores upto 2025-26
	SBM Bank	16.67	Semi annual installment of ₹ 5.56 Crores upto 2025-26
	Export Import Bank of India	259.18	Each monthly installment of ₹ 3.70 Crores upto 2026-27 for Loan 1 and ₹ 3.03 Crores for Loan 2 upto 2029-30
	Punjab National Bank	68.83	Each Quarterly Installment of ₹ 10 Crores upto 2027-28
	Bank of Baroda	36.09	57 equal monthly installments (EMI Basis)

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

14.1 (iv): Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest ranging of 2.25% to 3.04% per annum. The repayment schedule of the loans are as follows.

As at 31st March, 2023 (₹ in Crores)

Nature	Bank name	Loan amount	Repayment schedule
Buyers Credit	State Bank of India	116.96	Repayment in 2024-25

Note No 15. Trade payables (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to micro and small enterprises	375.93	51.95	303.81	29.05
(b) Total outstanding due to creditors other than micro and small enterprises	3,064.89	420.89	2,301.36	410.68
Total	**3,440.82**	**472.84**	**2,605.17**	**439.73**

Trade payables ageing schedule (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	171.70	196.35	27.36	7.90	23.90	**427.21**
(ii) Others	2,178.13	1,050.34	90.41	90.70	74.29	**3,483.87**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	0.67	**0.67**
(ii) Others	-	-	-	-	1.91	**1.91**

Pervious Year (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	116.82	161.69	32.48	12.05	9.82	**332.86**
(ii) Others	1,250.66	1,211.99	108.86	59.62	73.41	**2,704.54**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	**-**
(ii) Others	-	0.51	0.45	0.66	5.88	**7.50**

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

Particulars	As at 31st March, 2023	As at 31st March, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount remaining unpaid	688.93	392.75
Interest due and unpaid interest	13.64	12.88
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	8.85	9.33
The amount of interest accrued and remaining unpaid at the end of accounting year;	8.05	8.90
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	30.54	31.11

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 16. Other financial liabilities (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
(a) Capital creditors				
(i) Total outstanding due to micro and small enterprises	5.43	-	22.22	-
(ii) Total outstanding due to creditors other than micro and small enterprises	95.29	-	172.98	-
(b) Employee benefit payables	101.93	-	90.96	
(c) Unclaimed / unpaid dividends #	0.03	-	0.11	-
(d) Interest accrued on advance from customers	38.79	-	58.93	-
(e) Other payables				
(i) Trade / security deposits received	64.41	-	66.61	-
(ii) Amount received on invocation of bank guarantees	-	7.51	-	7.51
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others	56.33	149.36	77.67	180.57
Total - Other payables	**120.74**	**156.88**	**144.28**	**188.09**
Total	**362.21**	**156.88**	**489.48**	**188.09**

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

Note No 17. Contract liabilities (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Contract liabilities				
Amount due to customers	1,121.02	-	1,583.56	-
Advances from customers	1,779.11	1,524.03	1,125.74	1,766.30
Total	**2,900.13**	**1,524.03**	**2,709.30**	**1,766.30**

Note No 17.1 Other non-current and current liabilities (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Statutory remittances (VAT, GST, Service tax, Contributions to PF, Superannuation, ESIC, Withholding taxes, Labour welfare cess, etc.)	116.01	-	44.94	-
Other payables				
Advance against sale of scrap	2.28	-	0.16	-
Advance from subsidiaries	14.77	-	13.97	-
Total	**133.06**	**-**	**59.07**	**-**

Note No 18. Provisions (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Provision for employee benefits:				
Provision for leave encashment	47.96	-	42.52	-
Provision for gratuity	10.00	8.87	12.00	7.01
	57.96	8.87	54.52	7.01
Provision - Others:				
Provision for doubtful advance	75.00	-	79.28	-
Provision for foreseeable losses for onerous contracts (Refer note 18.1)	17.06	-	14.02	-
Total	**150.02**	**8.87**	**147.82**	**7.01**

(i) The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and gratuity.

Note No. 18.1 - Movement in Provision for foreseeable losses for onerous contracts (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Opening Balance	14.02	-	33.02	-
Add: Additions made during the year	15.04	-	-	-
Less: Reversals made during the year	12.03	-	19.00	-
Add: Exchange differences	0.03	-	-	-
Closing Balance	**17.06**	**-**	**14.02**	**-**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

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

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for tax (net of advance tax ₹ 169.34 Crores) (As at 31st March, 2022 ₹ 224.47 Crores)	93.55	15.35
Total	**93.55**	**15.35**

Note No 20. Current borrowings (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) **Current maturities of long-term debts** (Refer note 20.1 below)	192.64	147.16
(b) **Working capital demand loans from banks**		
Secured (Refer note 20.2 below)	717.60	845.92
(c) **Short term Loans from Bank**		
Foreign Currency Loan:		
Buyers Credit		
Secured (Refer Note 20.2 below)	43.95	64.72
(d) **Cash credit facility from banks**		
Secured (Refer note 20.2 below)	12.16	57.07
(e) **Acceptances**	-	38.44
(f) **From related parties (Unsecured)**	15.13	5.80
Total	**981.48**	**1,159.11**

Note 20.1: Current maturities of long-term debts (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equipment loans from banks (Rupee Loan) (Secured) #	191.23	144.35
Interest accrued but not due on borrowings	1.41	2.81
Total	**192.64**	**147.16**

For nature of security and interest rate refer note no.14.1

Note 20.2: Details of security for the secured short-term borrowings: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2023	As at 31st March, 2022
Working capital demand loans (WCDL)			
From banks:			
State Bank of India	Refer note 20.3 below	200.00	340.00
IDBI Bank		30.00	6.00
Indian Bank		30.00	30.00
Export Import Bank of India		300.00	200.00
ICICI Bank		-	45.00
Bank of Baroda		110.00	-
Union Bank of India		-	14.92
Bank of India		30.00	30.00
UCO Bank		-	30.00
Axis Bank		-	78.00
Punjab National Bank		17.00	72.00
Yes Bank		0.60	-
		717.60	845.92
Short term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Axis Bank and State Bank of India	Refer note 20.3 below	43.95	64.72
Cash credit facility and Book overdraft	Refer note 20.3 below	12.16	57.07

Note 20.3:

(i) Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / working capital demand loan is further secured by the Company's proportionate share of current assets in all the joint ventures both present and future.

(ii) Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 7.85% to 10.15% per annum (as on 31st March, 2022 interest ranging from 7.25% to 9.50% per annum). Buyers Credit carrying interest @ 2.02% to 6.85% per annum.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 21. Current tax and deferred tax

(a) Income tax expense (₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Current tax:		
in respect of current year	189.39	127.63
in respect of prior years	28.58	-
Deferred tax		
In respect of current year	(4.62)	(103.89)
Total income tax expense recognised in the statement of profit and loss account	**213.35**	**23.74**

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

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Amount	Tax rate	Amount	Tax rate
Profit before tax	623.02		283.04	
Income tax using the Company's domestic tax rate	156.80	25.17%	71.24	25.17%
Effect of income that is exempt from taxation				
Non-taxable income	(0.05)	-0.01%	(0.09)	-0.03%
Loss in respect of which deferred tax assets not recognised due to uncertainty	5.69	0.91%	4.60	1.63%
Disallowable expenses	1.89	0.30%	1.83	0.65%
Effect of tax rates differences of entities operating in other jurisdictions having different tax rates	10.29	1.65%	10.47	3.70%
Charge/(credit) in respect of previous years	28.58	4.59%	3.10	1.10%
Effect of change in tax rates	-	0.00%	(59.39)	-20.98%
Others	10.15	1.63%	(8.02)	-2.83%
Income tax expenses recognised in Statement of Profit and Loss	**213.35**	**34.24%**	23.74	8.41%

Note:

(i) The tax rate used for the financial years 2022-23 and 2021-22 reconciliations above is the corporate tax rate of 25.17% payable by the corporate entities in India on taxable profits under the Indian tax law.

(c) Movement of deferred tax (₹ in Crores)

Particulars	For the year ended 31st March, 2023				
	Opening balance	Recognised in profit and Loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	56.48	(24.71)	-	-	31.77
Arbitration awards	123.42	21.72	-	-	145.14
	179.90	(2.99)	-	-	176.91
Tax effect of items constituting deferred tax assets					
Employee benefits	(18.51)	2.39	(0.70)	-	(16.82)
Adjustment on adoption of Ind As 116	(0.63)	0.45	-	-	(0.18)
Expected credit loss	(16.26)	(5.78)	-	-	(22.04)
Provisions	(39.89)	4.05	-	-	(35.84)
Others (Disallowances u/s 40a)	-	(2.74)	-	-	(2.74)
	(75.29)	(1.63)	(0.70)	-	(77.62)
Net tax liabilities	**104.61**	**(4.62)**	**(0.70)**	**-**	**99.29**

(₹ in Crores)

Particulars	For the Year ended 31st March 2022				
	Opening balance	Recognised in profit and Loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	87.54	(31.06)	-	-	56.48
Arbitration awards	186.50	(63.08)	-	-	123.42
	274.04	(94.14)	-	-	179.90
Tax effect of items constituting deferred tax assets					
Employee benefits	(13.67)	(1.41)	(3.43)	-	(18.51)
Adjustment on adoption of Ind As 116	(0.50)	(0.13)	-	-	(0.63)
Expected credit loss	(13.47)	(2.79)	-	-	(16.26)
Provisions	(34.47)	(5.42)	-	-	(39.89)
	(62.11)	(9.75)	(3.43)	-	(75.29)
Net tax liabilities	**211.93**	**(103.89)**	**(3.43)**	**-**	**104.61**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 22. Revenue from operations

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a)	Revenue from sale of goods (Construction Materials)	58.15	55.49
(b)	Construction contract revenue (Refer note 22.1 below)	12,304.82	10,348.73
(c)	Other operating income (Refer note 22.2 below)	103.64	94.33
	Total	**12,466.61**	**10,498.55**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
22.1	**Construction contract revenue comprises:**		
	Construction revenue	12,304.82	10,348.73
	Total	**12,304.82**	**10,348.73**
22.2	**Other operating income comprises:**		
	Sale of scrap	91.62	44.21
	Others	12.02	50.12
	Total	**103.64**	**94.33**

Note No 23. Other income

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	41.19	63.74
(b)	Dividend income	-	45.17
(c)	Other non operating income (Refer note 23.2 below)	175.70	185.05
	Total	**216.89**	**293.96**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
23.1	**Interest income comprises:**		
	Interest on arbitration awards	34.61	36.81
	Other interest	6.58	26.93
	Total	**41.19**	**63.74**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors / advances no longer required written back	19.12	38.37
	Creditors / Excess provision written back	4.28	26.43
	Insurance claim received	17.43	28.37
	Provision for projected loss on contract written back	12.03	19.00
	Net gain on foreign currency transactions and translation	80.66	57.56
	Miscellaneous income	42.18	15.32
	Total	**175.70**	**185.05**

Note No 24. Cost of material consumed

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cost of construction materials consumed (Including bought out Items)	3,752.97	2,915.03
Total	**3,752.97**	**2,915.03**

Note No 24.1. Cost of construction

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Stores and spare consumed	699.45	578.10
Subcontracting expenses	2,031.09	2,461.80
Equipments hire / rent charges	655.83	529.08
Site installation	451.11	133.73
Technical consultancy	218.71	184.71
Power and fuel consumed	622.91	523.11
Freight and handling charges	460.70	434.51
Total	**5,139.80**	**4,845.04**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 25. Cost of traded goods

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Construction materials	71.12	85.50
Total	**71.12**	**85.50**

Note No 26. Employee benefits expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, wages and bonus	1,051.36	861.58
Contributions to provident and other funds:		
Contribution to provident fund	32.73	28.38
Gratuity Expense	8.83	5.77
Leave encashment Expense	12.41	18.89
Other Post employment benefits	35.21	27.45
Staff welfare expenses	127.26	96.66
Total	**1,267.80**	**1,038.73**

Note No 27. Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest On:		
Bank overdrafts and loans	186.62	151.22
Advance from clients	60.34	100.51
Lease liabilities	5.12	6.68
Others	51.06	48.12
	303.14	306.53
Other borrowing costs:		
Bank guarantee commission including bank charges	129.68	112.37
Others	11.32	4.32
Total	**444.14**	**423.22**

Note No 28. Depreciation and amortisation expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation on tangible assets	427.03	312.50
Amortisation on intangible assets	0.04	0.02
Depreciation on right-of-use assets	41.73	38.70
Depreciation and amortisation as per Statement of Profit and Loss	**468.80**	**351.22**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 29. Other expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Water and electricity	18.42	11.31
Rent/ Hire charges	54.46	39.34
Repairs and maintenance - Machinery	36.80	29.21
Repairs and maintenance - Others	37.99	18.87
Insurance charges	143.82	110.03
Rates and taxes	88.66	83.84
Communication	12.58	10.35
Travelling and conveyance	128.20	114.22
Security charges	82.51	63.40
Donations and contributions	1.68	0.40
Expenditure on corporate social responsibility (CSR) (Refer note 33)	0.07	0.71
Legal and professional	159.22	191.82
Payment to auditors (Refer note 29.1)	1.56	1.59
Advances written off	1.77	0.63
Provision for Doubtful Debtors / Advances	-	79.28
Bad / irrecoverable debtors / unbilled revenue written off	2.19	1.44
Expected credit loss on contract assets and trade receivables	22.93	26.07
Provision for foreseeable losses for onerous contracts	15.04	-
Loss on sale of fixed assets	21.23	6.52
Miscellaneous expenses	86.72	61.70
Total	**915.85**	**850.73**

Note 29.1: Details of payment to auditors

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<u>Auditors remuneration comprises</u>		
(a) To auditors		
For statutory audit	1.11	1.01
For tax audit	0.08	0.02
For other services (taxation matters, GST, certification work)	0.35	0.54
	1.54	**1.57**
(b) To cost auditors	0.02	0.02
	0.02	**0.02**
Total (a + b)	**1.56**	**1.59**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

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

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts (excluding claims where amounts are not ascertainable)		
i) Differences with sub-contractors / vendors in regard to rates and quantity of materials.	386.85	377.59
ii) Royalty Claims*	483.64	483.64
(b) Claims against the joint operations not acknowledged as debts	160.97	156.21
(c) Guarantees		
i) Bank guarantees given on behalf of subsidiaries and counter guaranteed by the company	22.24	24.98
(d) Sales tax and entry tax		
Represents demands raised by sales tax authorities in matters of : a) disallowance of labour and service charges, consumables etc. b) Tax on AS7 turnover c) Entry tax and d) Interest and penalty etc. for which appeal is pending before various appellate authorities. The Company is confident that the cases will be successfully contested.	18.54	21.00
(e) VAT		
Represents partial disallowance by West Bengal VAT Authorities for the year 2016-17. In matters of disallowance of subcontractor charges, labour charges, PF contribution, architectural charges, cost of consumables, cost of establishment, etc. for which appeal is pending before higher appellate authority. The entity is confident that the case will be successfully contested.	0.46	0.46
(f) Service tax		
Represents demand confirmed by the CESTAT / Asst. commissioner of service tax for a) disallowance of cenvat credit, since abatement claimed by the Company, b) disallowance of general exemption of private transport terminals and c) taxability under "Commercial or Industrial Construction Service", etc. The Company has appealed / in the process of appeal against the said order with commissioner of service tax Mumbai,CESTAT / High court and is confident that the cases will be successfully contested. The Company has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	66.78	134.15
(g) GST		
Represents demand confirmed by GST Authorities for dispute in rate of tax for works contract. Afcons has charged 18% GST to Inland Waterways Authority on India (IWAI), however as per AAR ruling the rate has been decided at 12%. Afcons has issued credit notes to the effect of the differential 6%. The Company is confident that the cases will be successfully contested.	6.22	6.15
Note:- In respect of items mentioned under paragraphs (a), (b), (d), (e), (f) and (g) above, till the matters are finally decided, the financial effect cannot be ascertained and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities.		
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	97.89	94.01
(iii) Income tax		
Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The Company has obtained stay order from tax department. Company is confident that the case will be successfully contested before concerned appellate authorities.	62.55	26.24

Notes:
* The Company has received a demand and a show cause notice amounting to ₹ 239.00 Crores and ₹ 244.64 Crores respectively with respect to liability on account of royalty payable on Murrum used in one of the projects. Subsequent to the show cause notice, the company has obtained a stay order on the same. Further, based on legal opinion, the Company expects that the claim is highly unlikely to materialise.

The Company has implemented the decision given in the Supreme Court Judgement in case of “Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees’ Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 w.e.f. April 01, 2019. Basis the assessment of the management, which is supported by legal advice, the aforesaid matter is not likely to have significant impact in respect of earlier periods.

There are suits against Afcons and Ghana Railway Development Authority. However these have not been disclosed in the Financial Statement because Afcons is not directly liable for the Claims.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 31. Employee benefit plans

The Company has recognised following amounts in the statement of profit and loss: (₹ in Crores)

Particulars	31st March, 2023	31st March, 2022
Superannuation Fund	25.41	19.63
Provident Fund	32.73	28.38
Gratuity	8.83	5.77
Leave encashment expenses	12.41	18.89
Total	**79.38**	**72.67**

a. Defined contribution plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

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

The total expense recognised in profit or loss of ₹ 58.14 Crores (for the year ended March 31, 2022: ₹ 48.01 Crores) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

b. Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 4 years and 240 days are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service without any ceiling limit as given under Payment of Gratuity Act, 1972.

Whereas on death of an employee the amount of gratuity payable is amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Company or as per payment of the Gratuity Act, whichever is higher.

The gratuity plan of the Company is funded and the Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using Projected Unit Credit Method.

Investment risk

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

Interest risk

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

Longevity risk

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

Salary risk

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

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

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

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2023 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

c. Details of defined benefit plan - Gratuity

The principle assumptions used for the purpose of actuarial valuation (considered for the Company)

Particulars	31st March, 2023	31st March, 2022
Expected Return on Plan Assets	7.50%	7.23%
Rate of Discounting	7.50%	7.23%
Rate of Salary Increase	8.00%	8.00%

Rate of Employee Turnover	**31st March, 2023**	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
	31st March, 2022	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
Mortality Rate During Employment*	**31st March, 2023**	Indian Assured Lives Mortality 2012-14 (Urban)
	31st March, 2022	Indian Assured Lives Mortality 2012-14 (Urban)

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

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

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i)	**Components of defined benefit cost**		
	Service cost:		
	Current service cost	7.45	5.00
	Interest cost on benefit obligation (Net)	1.38	0.77
	Total defined benefit costs recognised in profit or loss	**8.83**	**5.77**
	Actuarial (Gains)/Losses on Obligation For the Period	3.27	14.24
	Return on Plan Assets, Excluding Interest Income	(0.47)	(0.61)
	Total defined benefit costs recognised in OCI	**2.80**	**13.63**
	Total defined benefit costs recognised in profit or loss and OCI	**11.63**	**19.40**
(ii)	**Net (liabilities) recognised in the Balance Sheet**		
	Present value of defined benefit obligation	(72.71)	(63.69)
	Fair value of plan asset	53.84	44.68
	Net liabilities recognised in the Balance Sheet	**(18.87)**	**(19.01)**
(iii)	**Movements in the present value of the defined benefit obligation are as follows.**		
	Opening defined benefit obligation	63.69	47.63
	Current service cost	7.45	5.00
	Interest cost	4.61	3.27
	Remeasurement (gains)/losses:		
	Actuarial (gains) / losses arising from changes in financial assumptions	(1.61)	8.12
	Actuarial losses arising from experience adjustments	4.88	6.12
	Benefits paid	(6.31)	(6.45)
	Closing defined benefit obligation	**72.71**	**63.69**
(iv)	**Movements in the fair value of plan assets are as follows.**		
	Opening fair value of plan assets	44.68	36.56
	Interest income	3.23	2.51
	Remeasurement gain / (loss):		
	Return on plan assets (excluding amounts included in net interest expense)	0.47	0.61
	Contributions from the employer	11.77	11.45
	Benefits paid	(6.31)	(6.45)
	Closing fair value of plan assets	**53.84**	**44.68**

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

(v) Sensitivity Analysis

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

1) If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by ₹ 5.43 Crores (increase by ₹ 6.30 Crores) (as at 31st March, 2022: decrease by ₹ 4.88 Crores (increase by ₹ 5.68 Crores)).

2) If the expected salary growth increases/(decreases) by 1%, the defined benefit obligation would increase by ₹ 6.21 Crores (decrease by ₹ 5.45 Crores) (as at 31st March, 2022: increase by ₹ 5.58 Crores (decrease by ₹ 4.89 Crores)).

3) If the employee turnover increases/(decreases) by one year, the defined benefit obligation would decrease by ₹ 0.41 Crores (increase by ₹ 0.45 Crores) (as at 31st March, 2022: decrease by ₹ 0.45 Crores (increase by ₹ 0.50 Crores)).

(vi) Sensitivity analysis method

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

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

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

The average duration of the benefit obligation at March 31, 2023 is 12 years (as at 31st March, 2022: 12 years).

The Company expects to make a contribution of ₹ 10.00 Crores (as at 31st March, 2022: ₹ 12.00 Crores) to the defined benefit plans during the next financial year.

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting

Particulars	**(₹ in Crores)**
1st Following Year	6.89
2nd Following Year	4.23
3rd Following Year	6.91
4th Following Year	6.51
5th Following Year	6.45
Sum of Years 6 To 10	31.33
Sum of Years 11 and above	98.48

d. Compensated Absences

The liability for Compensated absences (non-funded) as at year end is ₹ 47.96 Crores (as at 31st March, 2022 ₹ 42.52 Crores) covers the Company's liability for sick and privilege leave and is presented as current liabilities, since the Company does not have an unconditional right to defer the settlement of any of these obligations.

The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the year using the Projected Unit Credit Method

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 32. Earnings per share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	₹	₹
Basic earnings per share	12.02	7.61
Diluted earnings per share	12.02	7.61

Basic earnings per share

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earnings per share	409.67	259.30
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	409.62	259.25
Profits used in the calculation of basic earnings per share	**409.62**	**259.25**

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

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
- Convertible preference shares	26,87,68,030	26,87,68,030
Weighted average number of shares used in calculation of basic earnings per share	**34,07,38,268**	**34,07,38,268**

Diluted earnings per share

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earnings per share	409.67	259.30
Earnings used in the calculation of diluted earnings per share	409.67	259.30
Profits used in the calculation of diluted earnings per share	**409.67**	**259.30**

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

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	34,07,38,268	34,07,38,268
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,268**	**34,07,38,268**

Note No 33. Corporate social responsibility:

(₹ in Crores)

Gross amount required to be spent by the Company during the year: (Previous year ₹ Nil)	Nil

Amount spent during the year on:

(₹ in Crores)

CSR activities (in cash)	Paid	To be paid	Total
(i) Construction/acquisition of an asset	-	-	**-**
(ii) Purposes other than (i) above	0.07	-	**0.07**
Total	**0.07**	**-**	**0.07**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 34: Segment information :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Segment Profit before tax (before exceptional items)		
India	581.57	335.62
Other Countries	228.07	98.64
	809.64	434.26
Add: Unallocated income	-	-
Less: Unallocated expenses	186.62	151.22
Profit before tax	**623.02**	**283.04**

(₹ in Crores)

Revenue from external customers	As at 31st March, 2023	As at 31st March, 2022
India	8,633.19	7,484.56
Other Countries	3,833.42	3,013.99
Total	**12,466.61**	**10,498.55**

(₹ in Crores)

Segment Assets	As at 31st March, 2023	As at 31st March, 2022
India	12,285.39	11,647.32
Other Countries	3,336.59	2,751.19
	15,621.98	**14,398.51**
Intersegment eliminations	(2,025.16)	(2,079.86)
Unallocated		
Investments	12.35	12.41
Non-current tax assets	28.80	68.72
Total assets as per balance sheet	**13,637.97**	**12,399.78**

(₹ in Crores)

Non-current assets	As at 31st March, 2023	As at 31st March, 2022
India	2,504.44	2,677.23
Other Countries	109.32	0.50
Total non-current assets	**2,613.76**	**2,677.73**

(₹ in Crores)

Segment Liabilities	As at 31st March, 2023	As at 31st March, 2022
India	7,148.41	6,463.74
Other Countries	2,916.13	2,903.99
	10,064.54	**9,367.73**
Intersegment eliminations	(866.25)	(887.73)
Unallocated		
Current Borrowings	981.48	1,159.11
Non-current Borrowings	596.48	401.89
Deferred Tax Liability	99.29	104.61
Current Tax Liability	93.55	15.35
Total liabilities as per balance sheet	**10,969.09**	**10,160.96**

(₹ in Crores)

Non-current liabilities	As at 31st March, 2023	As at 31st March, 2022
India	1,361.91	1,461.62
Other Countries	816.39	1,052.99
Total non-current liabilities	**2,178.30**	**2,514.61**

Information about major customers:

During the current year ended March 31, 2023, revenue of ₹ 1,309.53 crore arising from a customer in India (viz National Capital Region Transport Corporation) contributes to more than 10% of the Company's revenue.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 35: Related party disclosures

(a) Details of related parties:

Related Party where Control exists

Holding Company

Shapoorji Pallonji & Company Private Limited

Subsidiaries of the Company

Hazarat & Company Private Limited
Afcons Corrosion Protection Private Limited
Afcons Hydrocarbons Engineering Pvt Ltd
Afcons Construction Mideast LLC
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL
Afcons Gulf International Project Services FZE
Afcons Mauritius Infrastructure Ltd.
Afcons Overseas Singapore Pte Ltd.
Afcons Infra Projects Kazakhstan LLP
Afcons Saudi Constructions LLC
Afcons Overseas Project Gabon SARL
Afcons Oil & Gas Services Pvt Ltd

Fellow Subsidiary(s)

Floreat Investments Private Limited
ESP Port Solutions Pvt Ltd.
Sterling & Wilson Private Limited
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd
Simar Port Private Ltd
SP Oil and Gas Malaysia SDN BHD
Forbes Facility Services Pvt Ltd (Upto 30th June, 2022)
Forvol International Services Ltd
Shapoorji Pallonji Solar Holdings Pvt.Ltd.
Shapoorji Pallonji Qatar WLL

Joint Operations

Transtonnelstroy Afcons Joint Venture
Dahej Standby Jetty Project undertaking
Afcons Gunanusa Joint Venture
Afcons Pauling Joint Venture
Strabag AG Afcons Joint Venture
Ircon Afcons Joint Venture
Afcons Sener LNG Construction Projects Pvt.Ltd.
Afcons Sibmost Joint Venture
Afcons Vijeta PES Joint Venture
Afcons SMC Joint Venture
Afcons Vijeta Joint Venture
Afcons JAL Joint venture
Afcons KPTL Joint Venture
Afcons Infrastructure Limited & Vijeta Projects and Infrastructures Ltd. JV
Afcons Vijeta J V, Zimbabwe
Afcons Hindustan Joint Venture (w.e.f.14th June, 2022)

Companies forming part of the composite scheme of arrangement (Refer Note 34 (c.))

Eureka Forbes Ltd.

Entity controlled / Jointly controlled by members of the governing board

Vigil Juris

Key Management Personnel

Mr. S. P. Mistry – Chairman
Mr. K. Subramanian – Executive Vice Chairman
Mr. S. Paramasivan – Managing Director
Mr. Giridhar Rajagopalan - Deputy Managing Director
Mr. Akhil Kumar Gupta - Executive Director (Upto 30th June, 2022)
Mr, N.D.Khurody - Independent Director (Upto 26th September, 2022)
Mr. R.M.Premkumar - Independent Director (Upto 26th September, 2022)
Mr. P.N.Kapadia - Independent Director
Mr. David P. Rasquinha - Independent Director (w.e.f. 7th July, 2022)

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 35 : Related party disclosures (Contd)

b). Details of transactions with related party for the period 01.04.2022 to 31.03.2023 (₹ in Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the governing board		Total	
	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22
Managerial Remuneration paid														
a) Short Term Employee Benefit														
S.Paramasivan									4.27	3.86			**4.27**	**3.86**
K.Subramanian									4.74	4.35			**4.74**	**4.35**
Giridhar Rajagopalan									2.55	2.31			**2.55**	**2.31**
Akhil Kumar Gupta									1.19	2.22			**1.19**	**2.22**
b) Post Employment Benefits														
S.Paramasivan									0.75	0.66			**0.75**	**0.66**
K.Subramanian									0.81	0.76			**0.81**	**0.76**
Giridhar Rajagopalan									0.24	0.20			**0.24**	**0.20**
Akhil Kumar Gupta									-	0.13			**-**	**0.13**
c) Other Long Term Benefits														
S.Paramasivan									0.37	0.37			**0.37**	**0.37**
K.Subramanian									0.45	0.47			**0.45**	**0.47**
Giridhar Rajagopalan									0.18	0.18			**0.18**	**0.18**
Akhil Kumar Gupta									-	0.14			**-**	**0.14**
Sitting Fees paid														
S.P.Mistry									0.04	0.06			**0.04**	**0.06**
N.D.Khurody									0.14	0.17			**0.14**	**0.17**
R.M.Premkumar									0.13	0.12			**0.13**	**0.12**
P.N.Kapadia									0.26	0.21			**0.26**	**0.21**
David P.Rasquinha									0.15	-			**0.15**	**-**
Dividend on Preference Shares														
Floreat Investments Private Limited					0.01	0.01							**0.01**	**0.01**
Shapoorji Pallonji & Co. Pvt. Ltd.	0.01	0.01											**0.01**	**0.01**
Interim Dividend on Equity Shares														
Shapoorji Pallonji & Co. Pvt. Ltd.	-	17.19											**-**	**17.19**
Floreat Investments Private Limited					-	4.56							**-**	**4.56**
K.Subramanian									-	0.02			**-**	**0.02**
S.Paramasivan									-	0.01			**-**	**0.01**
Giridhar Rajagopalan									-	0.00			**-**	**0.00**
Purchase of equity share														
Shapoorji Pallonji Pandoh Takoli Highway Pvt.Ltd.			-	43.00									**-**	**43.00**
Sale of equity share														
Shapoorji Pallonji Pandoh Takoli Highway Pvt.Ltd.			-	43.00									**-**	**43.00**
Interest Income														
Afcons Sener LNG Construction Projects Pvt. Ltd.							0.38	0.33					**0.38**	**0.33**
Afcons Construction Mideast LLC			0.13	0.82									**0.13**	**0.82**
Income from Services charges														
Afcons Overseas Singapore Pte Ltd.			0.97	2.83									**0.97**	**2.83**
Afcons Construction Mideast LLC			1.07	0.35									**1.07**	**0.35**
Strabag-AG Afcons Joint Venture							0.34	3.79					**0.34**	**3.79**
Other Income														
Afcons Construction Mideast LLC			1.68	0.31									**1.68**	**0.31**
Transtonnelstroy-Afcons Joint Venture							0.02	0.02					**0.02**	**0.02**
Strabag-AG Afcons Joint Venture							0.86	-					**0.86**	**-**
Afcons Overseas Singapore Pte Ltd.			-	0.12									**-**	**0.12**
Shapoorji Pallonji & Co. Pvt. Ltd.	-	0.16											**-**	**0.16**
Simar Port Private Ltd					-	1.70							**-**	**1.70**
ESP Port Solutions Pvt Ltd.					0.24	1.64							**0.24**	**1.64**
Sterling & Wilson Private Limited					0.06	0.01							**0.06**	**0.01**
Subcontract Income														
Transtonnelstroy-Afcons Joint Venture							0.04	0.07					**0.04**	**0.07**
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd					365.01	343.32							**365.01**	**343.32**
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd					38.39	79.74							**38.39**	**79.74**
ESP Port Solutions Pvt Ltd.					-	5.19							**-**	**5.19**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 35 : Related party disclosures (Contd)

(b). Details of transactions with related party for the period 01st April 2020 to 31st March 2023 (₹ in Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the governing board		Total	
	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22
Income from Equipment Hire														
Afcons Construction Mideast LLC			1.08	-									**1.08**	**-**
Afcons Overseas Singapore Pte Ltd.			4.71	17.58									**4.71**	**17.58**
ESP Port Solutions Pvt Ltd.					0.60	6.38							**0.60**	**6.38**
Simar Port Private Ltd					0.13	-							**0.13**	**-**
Dividend Received														
Afcons Overseas Singapore Pte Ltd.			-	45.17									**-**	**45.17**
Distribution of Profit / (Loss) from Joint Ventures														
Strabag-AG Afcons Joint Venture							20.22	17.40					**20.22**	**17.40**
Sale of Spares/Materials/ Assets														
Transtonnelstroy-Afcons Joint Venture							0.02	0.00					**0.02**	**0.00**
Afcons Construction Mideast LLC			2.06	-									**2.06**	**-**
Afcons Overseas Singapore Pte Ltd.			0.19	0.53									**0.19**	**0.53**
Advance Given														
Afcons Construction Mideast LLC			6.94	8.91									**6.94**	**8.91**
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			0.25	0.34									**0.25**	**0.34**
Transtonnelstroy-Afcons Joint Venture							0.68	1.24					**0.68**	**1.24**
Afcons Corrosion Protection Pvt Ltd			-	0.00									**-**	**0.00**
Afcons Overseas Project Gabon SARL			-	4.71									**-**	**4.71**
Hazarat & Company Private Limited			0.02	-									**0.02**	**-**
Afcons Sener LNG Construction Projects Pvt. Ltd.							0.61	0.80					**0.61**	**0.80**
Afcons - KPTL Joint Venture							10.32	15.68					**10.32**	**15.68**
Afcons Oil & Gas Services Pvt Ltd			0.01	0.00									**0.01**	**0.00**
Afcons Hydrocarbons Engineering Pvt Ltd			0.01	0.02									**0.01**	**0.02**
Advance Received back														
Afcons Construction Mideast LLC			(9.38)	(59.24)									**(9.38)**	**(59.24)**
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			-	(6.40)									**-**	**(6.40)**
Transtonnelstroy-Afcons Joint Venture							(1.66)	(1.22)					**(1.66)**	**(1.22)**
Afcons Hydrocarbons Engineering Pvt Ltd			(0.04)	-									**(0.04)**	**-**
Afcons Overseas Singapore Pte Ltd.			(8.98)	-									**(8.98)**	**-**
Afcons Corrosion Protection Pvt Ltd			-	(0.00)									**-**	**(0.00)**
Afcons Overseas Project Gabon SARL			-	(5.80)									**-**	**(5.80)**
Hazarat & Company Private Limited			(0.02)	-									**(0.02)**	**-**
Afcons Sener LNG Construction Projects Pvt. Ltd.							(0.23)	(0.48)					**(0.23)**	**(0.48)**
Afcons - KPTL Joint Venture							(15.99)	(13.00)					**(15.99)**	**(13.00)**
Service Charges paid														
Afcons Overseas Singapore Pte Ltd.			-	0.00									**-**	**0.00**
Simar Port Private Ltd					0.08	0.10							**0.08**	**0.10**
SP Oil and Gas Malaysia SDN BHD					0.14	-							**0.14**	**-**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 35 : Related party disclosures (Contd)

(b). Details of transactions with related party for the period 01st April 2020 to 31st March 2023 (₹ in Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the governing board		Total	
	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22
Housekeeping services paid														
Forbes Facility Services Pvt Ltd					0.30	5.13							**0.30**	**5.13**
Rent Expense														
Hazarat & Company Private Limited			0.02	0.02									**0.02**	**0.02**
Legal & Professional Fees														
Shapoorji Pallonji & Co. Pvt. Ltd. (Strategic Support Services)	37.76	30.79											**37.76**	**30.79**
Shapoorji Pallonji & Co. Pvt. Ltd. (Consultancy Services)	0.03	0.10											**0.03**	**0.10**
Vigil Juris											0.05	0.02	**0.05**	**0.02**
Travelling Expenses														
Forvol International Services Ltd					17.12	5.20							**17.12**	**5.20**
Equipment Hire Charges Paid														
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			1.01	2.79									**1.01**	**2.79**
Purchase of Spares/Materials/ Assets														
Afcons Overseas Project Gabon SARL			0.51	0.50									**0.51**	**0.50**
Afcons Overseas Singapore Pte Ltd.			44.02	-									**44.02**	**-**
Transtonnelstroy-Afcons Joint Venture							0.08	0.04					**0.08**	**0.04**
Afcons Construction Mideast LLC			0.09	1.07									**0.09**	**1.07**
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			0.57	-									**0.57**	**-**
Afcons - KPTL Joint Venture							0.01	0.12					**0.01**	**0.12**
SBLC Given for / (Released)														
Afcons Overseas Singapore Pte Ltd.			(13.48)	(39.41)									**(13.48)**	**(39.41)**
Outstanding amount of SBLC given/ (taken)														
Afcons Overseas Singapore Pte Ltd.			0.82	15.16									**0.82**	**15.16**
Outstanding Amount Loans & Advances Dr/ (Cr)														
Shapoorji Pallonji & Co. Pvt. Ltd.	271.79	271.79											**271.79**	**271.79**
Afcons Construction Mideast LLC			-	2.23									**-**	**2.23**
Transtonnelstroy-Afcons Joint Venture							4.91	5.88					**4.91**	**5.88**
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			(14.77)	(13.97)									**(14.77)**	**(13.97)**
Afcons Saudi Constructions LLC			0.96	0.88									**0.96**	**0.88**
Afcons Sener LNG Construction Projects Pvt. Ltd.							3.17	2.80					**3.17**	**2.80**
Afcons Overseas Project Gabon SARL			(6.15)	(5.80)									**(6.15)**	**(5.80)**
Afcons Overseas Singapore Pte Ltd.			(8.98)	0.00									**(8.98)**	**0.00**
Afcons - KPTL Joint Venture							5.84	12.01					**5.84**	**12.01**
Afcons Oil & Gas Services Pvt Ltd			0.02	0.02									**0.02**	**0.02**
Afcons Hydrocarbons Engineering Pvt Ltd			-	0.03									**-**	**0.03**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 35 : Related party disclosures (Contd)

(b). Details of transactions with related party for the period 01st April 2020 to 31st March 2023 (₹ in Crores)

Nature of Transaction	Holding Company(s)		Subsidiaries		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the governing board		Total	
	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22
Outstanding Amount - Debtors														
Afcons Construction Mideast LLC			4.14	10.01									**4.14**	**10.01**
Transtonnelstroy-Afcons Joint Venture							3.98	3.98					**3.98**	**3.98**
Shapoorji Pallonji & Co. Pvt. Ltd.	0.26	0.26											**0.26**	**0.26**
Afcons Overseas Singapore Pte Ltd.			7.55	1.41									**7.55**	**1.41**
Afcons Overseas Project Gabon SARL			5.79	6.61									**5.79**	**6.61**
Strabag-AG Afcons Joint Venture							1.53	0.27					**1.53**	**0.27**
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd					43.03	71.10							**43.03**	**71.10**
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd					154.05	308.19							**154.05**	**308.19**
Simar Port Private Ltd					0.00	-							**0.00**	**-**
ESP Port Solutions Pvt Ltd.					10.09	11.38							**10.09**	**11.38**
Sterling & Wilson Private Limited					0.05	0.01							**0.05**	**0.01**
Forbes Facility Services Pvt Ltd					0.03	0.03							**0.03**	**0.03**
Shapoorji Pallonji Solar Holdings Pvt.Ltd.					92.77	97.10							**92.77**	**97.10**
Outstanding Amount - Creditors														
Forvol International Services Ltd					0.41	0.42							**0.41**	**0.42**
Forbes Facility Services Pvt Ltd					0.27	0.50							**0.27**	**0.50**
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd					63.45	69.12							**63.45**	**69.12**
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd					13.53	21.14							**13.53**	**21.14**
Shapoorji Pallonji Qatar WLL					(36.42)	52.11							**(36.42)**	**52.11**
Simar Port Private Ltd					0.03	0.04							**0.03**	**0.04**
SP Oil and Gas Malaysia SDN BHD					0.06	-							**0.06**	**-**
Shapoorji Pallonji & Co. Pvt. Ltd.	70.91	26.38											**70.91**	**26.38**
Vigil Juris											0.00	0.00	**0.00**	**0.00**
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.			3.01	1.46									**3.01**	**1.46**
Afcons Construction Mideast LLC			0.02	1.11									**0.02**	**1.11**
Afcons Overseas Project Gabon SARL			16.28	14.22									**16.28**	**14.22**
Afcons Overseas Singapore Pte Ltd.			46.05	1.23									**46.05**	**1.23**
Transtonnelstroy-Afcons Joint Venture							0.15	0.04					**0.15**	**0.04**
Strabag-AG Afcons Joint Venture							1.03	0.11					**1.03**	**0.11**

The Company had during the previous year made an investment of ₹ 43.00 Crores by way of right issue of equity share of Shapoorji Pallonji Pandoh Takoli Highway Private Limited in May 2021. Also, the company had divested/sold investments of ₹ 43.00 Crores to Shapoorji Pallonji Pandoh Takoli Highway Private Limited in March 2022.

As the liabilities for defined plans and leave entitlements are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

(c). Companies forming part of the composite scheme of arrangement

Pursuant to the Composite Scheme of Arrangement ("Scheme") approved by the National Company Law Tribunal, Mumbai (NCLT) vide order dated 25th January, 2022, two downstream subsidiaries of Eureka Forbes Limited (EFL) (a fellow subsidiary) got merged with EFL, followed by EFL (including certain downstream subsidiaries as defined in the Scheme) getting merged into Forbes & Company Limited (FCL) (another fellow subsidiary) and consequently upon the scheme becoming effective got demerged and vested into Forbes Enviro Solutions Limited ("FESL") (another fellow subsidiary), on a going concern basis.

The Scheme was made effective by filing the requisite form with the Registrar of Companies, on 1st February, 2022.

During the period ended January 31, 2022, the Company has entered transactions for Purchase of Spares/Materials/Assets with EFL aggregating ₹ 0.20 (as at March 31, 2021 ₹ 0.49) and outstanding trade payables as at March 31, 2022 aggregates ₹ 0.01 (as at March 31, 2021 ₹ 0.05).

Note 36. Afcons Gunanusa Joint Venture (AGJV)

36. Afcons Gunanusa Joint Venture (AGJV)

AGJV had submitted claims to ONGC, arising on account of cost overruns due to change orders, in terms of the provisions of the contract. The Joint venture has invoked arbitration in respect of the aforesaid change orders. Claims against change orders and counter claims by ONGC aggregating to approx ₹ 400 Crores is currently being discussed in arbitration.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims, carried out by Joint Venture's management, after considering the current status of proceedings in arbitration, which is supported by external legal opinion, management of joint venture is of the view that the "amount due from customer under construction contract" of ₹ 124.05 Crores as on 31st March 2023 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management.

37. Transtonnelstroy Afcons Joint Venture (TAJV)

The Transtonnelstroy Afcons Joint Venture ("the JV") had submitted variations to the client for two projects (package UAA-01 and package UAA-05) arising on account of cost overruns, due to unforeseen geological conditions, delays in handing over of land and change in scope of work etc., in terms of the provisions of the contract with the Chennai Metro Rail Limited ("the client"), which the Management believes is attributable to the client.

During Financial Year 2021-22, Arbitration Panel issued a unanimous award in favour of Joint Venture granting extension of time in terms of number of days (the "claim no. 1 and 2"). The Arbitral Awards on Extension of Time matters (Claim No. 1 and 2) of Contract UAA-01 and UAA-05 were challenged by CMRL before the Ld. Single Judge of Madras High Court and succeeded. The order of the Ld. Single Judge was then challenged by TTA JV before the Hon'ble Division Bench and the same was dismissed vide order dated 01st February 2023. The said order of the Hon'ble Division Bench was challenged before the Hon'ble Supreme Court by TTA JV. The SLPs were filed on 14th and 15th May 2023 and the matter was likely to be listed after the Supreme Court holiday (summer vacation).

Based on the assessment made, both the orders were not challenged by CMRL on the Merits of the Arbitral Award but on the alleged procedural lapses on part of the Tribunal (i.e., no opportunity provided to CMRL on account of two particular documents sought by the Tribunal from TTA JV). Further, the Ld. Single Judge in its Order has also granted liberty to the Parties to go back to the existing Tribunal to get opportunity on the two documents. Also, the Hon'ble Division bench after hearing prima facie case has sought consent of parties on remanding the matter to the same Tribunal. However, since CMRL did not agree for consenting to the same and also the Hon'ble bench does not have special power to direct the parties to go before the same Tribunal, the Hon'ble bench proceeded to hear the matter and pronounced the order (albeit on perception rather than on facts).

Arbitration proceedings related to claims for cost of extension of time granted in claim no. 1 and 2 and related cost i.e. Claim No. 3 and 3A along with EOT claimed beyond Arbitration Award and associated cost, forming part of Claim No 8 have been kept on hold and shall be initiated based on outcome of the SLP filed with Hon'ble Supreme Court. Disputes related to release of withheld amount, release of retained amount, refund of amount encashed against Bank Guarantees and issuance of final taking over certificate (the "claim no. 8") are currently being heard in arbitration award.

In the earlier years, Joint Venture had received favourable arbitration awards in few of the other matters. The Client has challenged these arbitration awards before the Hon'ble High Court, Madras. Pending disposal of these matters in the court, client has, upon submission of the bank guarantee by the Joint Venture, deposited part of the award amount with the Joint Venture, pursuant to an interim stay order from Hon'ble High Court, Madras. The hearing for this is currently in process. The arbitration award amounting to ₹ 120.81 Crores and interest on arbitration award of ₹ 30.63 Crores has been recognized as "Non-current Trade Receivables" and "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", respectively, and the amount of ₹ 79.28 Crores received against such award has been recognized as "Other Non-current Liabilities -Contract Liabilities- Advances from customers.

Further, there are counter claims submitted by CMRL amounting ₹ 1945.81 Crores. The counterclaims lodged by CMRL arose due to the alleged defective works in the tunneling i.e. excessive steps and lips in the Tunnel Rings. The Counter claims are mainly towards the contingencies that CMRL may have to incur in future in the form of Rectification works, Loss of revenue and additional maintenance costs during the intended design life due to the said alleged defects in the tunnelling works. In addition, the Counterclaim was not substantiated by any supporting documents either on effect or on Cost. TTA JV has submitted an expert report to the Arbitral Tribunal wherein it states that the excessive stepping and lipping has no impact on either structural stability or on waterproofing systems. The counterclaims of the CMRL are made as an afterthought, which is evident from the fact that the same was filed by CMRL only in 2022, after issuance of substantial taking over certificate for UAA 01 in December 2019 and UAA 05 in June 2018, and both the packages became commercially operative in 2017 (UAA 05) and in 2019 (UAA 01).

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims , carried out by Joint Venture's management, after considering the current status of negotiation/amicable settlement with the client/ proceedings in arbitration and High Court, which is supported by external legal opinion, management of Joint Venture is of the view that the "amount due from customer under construction contracts" recorded in the books of accounts is based on cost actually incurred and so claimed but not duly compensated. Management of joint venture is confident of getting favourable order/ award and is of the opinion that amount of ₹ 659.87 Crores recognized towards such variations/ claims in 'Amounts due from customers under construction contracts' as non-current assets, an amount of ₹ 120.81 Crores towards the arbitration award recognized as 'Non-current Trade Receivables' and an amount of ₹ 30.63 Crores interest on arbitration award as "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", is appropriate and the same is considered as good and fully recoverable. Joint Venture management does not anticipate any loss to be recognized or contingent liability to be disclosed at this stage.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

38. DAHEJ STANDBY JETTY PROJECT UNDERTAKING (DJPU):

Amount due from customer under construction contract amounting to ₹ 11.10 Crores (Other non-current assets) pertain to cost incurred towards the contract which is yet to be certified by customer. Management had submitted variations towards the same in terms of the provisions of the contract, which were not approved by the Petronet LNG Limited (“the client”). During the year 2018-19, management has invoked arbitration for settlement of their claims against the client.

During the previous year 31st March 2022, an unfavourable award was granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture for ₹ 79.28 Crores (including interest of ₹ 20.45 Crores). Client has subsequently encashed the bank guarantees given by a Joint Venturer Partner, Afcons Infrastructure Limited of ₹ 79.28 Crores and recovered the award amount. The amount of encashed Bank Guarantee has been recorded by the Joint Venture as Other Receivables from customer (Other non-current assets) and Payable to JV Partner (non-current borrowings). Thereafter, the Joint Venture has filed petition at Hon’ble High Court, Delhi for setting aside the unfavourable award and also submitted claims for additional cost incurred w.r.t extended stay and acceleration cost, considering that the delay is attributable to the client and in terms of the contractual provisions this petition is admitted by Hon’ble High Court, Delhi and hearings is currently in process. The Hon’ble High Court Delhi on 22nd November 2022 directed client to submit an undertaking signed by President (Finance) of client, to the effect that it shall restitute the entire amount in the event Joint Venture succeeds in its challenge to the award.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims, carried out by Joint Venture’s management, after considering the current status of proceedings in High Court, which is supported by external legal opinion, management of Joint Venture is of the view that the amount recoverable from the client of ₹ 79.28 Crores disclosed as ‘Other Receivables’ and the ‘amount due from customer under construction contract’ of ₹ 11.10 Crores as on 31st March 2023 is appropriate and no provision for aforesaid claims and receivables is required to be made as these have been considered as good and fully recoverable by the Management.

Note 39.

(a) The Company has been legally advised that outstanding interest free advances aggregating to ₹ 852.50 Crores before elimination (As at 31st March, 2022 ₹ 931.28 Crores) made towards financing the unincorporated joint operations do not come under the purview of Section 186 of Companies Act, 2013 as the Company is in the business of constructing and developing infrastructure facilities.

(b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For investments made refer to Note no. 4.

Note 40.

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

Due to the above, the Company has raised two arbitration claims which are towards additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment, pend period cost etc. in terms of the provisions of the contract. In the earlier year, the Company had received an unfavorable award for major portion of its claim. The awards are challenged before Hon’ble Bombay High Court. Further the management of the company is in advanced stage of negotiation with KRCL. In addition to above, the Company has received the minutes of meeting held in January 2023 between the Company, KRCL and the Railway Board committee, which include the recommendations by the committee on the issues put forth in front of the committee. The recommendations are substantially in favor of the Company and is in discussion with KRCL.

The “amount due from customer under construction contract” recorded in the books of accounts amounting to ₹ 196.72 Crores as at 31st March 2023, includes ₹ 115.00 Crores on account of increase in steel quantity due to change in design is based on cost actually incurred and so claimed with KRCL, but not compensated.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims carried out by the management, after considering the current status of proceedings in arbitration and High Court, which is supported by external legal opinion, the management is confident of getting a favorable judgement and recover all the aforementioned amount of ₹ 196.72 Crores recorded in books as “amount due from customer under construction contract related to this project.

Note 41.

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

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 42.

The Company had executed projects awarded by Uttar Pradesh Expressways Industrial Development Authority for Construction of Six-lane green field Kannauj to Unnao Expressway (package IV) and Firozabad to Etawah (package II). During the execution of these projects the client issued various change orders which required additional deployment of resources. The expressway was inaugurated and put to use in Dec 2016. These projects were completed 13 months ahead of schedule.

Due to the various change orders, the Company has raised various claims towards additional expenses on account of change of scope, additional works, royalty claim etc. An amount of ₹ 211.29 Crores is outstanding towards unbilled receivables and disclosed under note no.8 "Contract assets". The matter is referred to Arbitration. Considering the legal opinion obtained and facts of the matter, the Company is confident of winning the case and recovering the entire amount from Uttar Pradesh Expressways Industrial Development Authority.

Note 43.

(a) The Company has unbilled receivables towards various ongoing and completed projects disclosed under Note no. 8 'Contract assets'. This unbilled work also includes variations on account of cost overruns due to unforeseen geological conditions, delays in handling over land, change in scope of work, etc. which are under discussions at various levels including customer, in arbitration, Dispute Adjudication Board etc. Based on the discussions and merits of the claims, the management is confident about the recovery of these pending variations with respect to unbilled receivables disclosed under note no.8 "Contract assets".

(b) The Company has a total net receivable of ₹ 1,001.03 Crores (including interest on arbitration awards ₹ 272.31 Crores) which is a part of Trade Receivables shown under note 5 towards arbitration awards which are won by the Company in past, these arbitration awards have been further challenged by the customers before the session court or higher courts of law. Pending disposal of these matters in the courts, management has recognized the amount as per the arbitration award and part payment has been received by management under Niti Aayog Scheme upon submission of a bank guarantee by the Company. Management is confident about the recovery of the amounts involved in the pending matters at various levels.

Note 44.

The Joint control operation and subsidiaries have mentioned in their financial statement that as per the terms of agreement Afcons Infrastructure Limited is committed to provide additional funds as may be required to meet the working capital requirements of Jointly Controlled Operations. The aforementioned has been disclosed by a few subsidiaries as well.

Basis management's assessment, Afcons is committed to provide and can adequately source additional funds as may be required to meet the working capital requirements of these Jointly Controlled Operation/subsidiary.

Note 45.

As on 31st March 2023, an amount of ₹ 537.23 Crores (excluding Jointly Controlled Operations) is receivable towards GST Input Credit which includes unutilised credit of inputs and input service on account of inverted duty structure. The Company has a robust Order book position of more than ₹ 36,800 Crores across India and there are several projects which are under the pipeline. Further, the Company has initiated Arbitration towards variations and Time related claims with respect to various projects and management expects favorable awards in these claims/ arbitration. Considering the facts as mentioned above, there is no doubt about the utilization of the GST input credit balance against the future liabilities and the same is considered good.

Note 46. Going concern related assessments performed by various entities (including branches and jointly controlled operations) within the Company.

a) Afcons Sener LNG Constructions Projects Pvt. Ltd.

Material uncertainty related to going concern:

The auditor of Jointly Controlled Operations of Afcons Sener LNG Constructions Projects Private Limited have given an Emphasis of Matter paragraph in relation to going concern assumption used for preparation of financial statements. Basis the Company's assessment company can adequately source the funding required at the mentioned Jointly Controlled Operations.

Note 47: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Relationship with struck off companies

The Company has following transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2023 (₹ in Crores)	Balance as on 31st March, 2022 (₹ in Crores)	Relationship with the struck off company
Shaurya Protection And Detection Private Limited.	Services	0.01	0.07	Not a Related Party
Bulsar Construction & Consulting (Opc) Private Limited.	Services	0.02	0.02	Not a Related Party
Dell Environmental Monitoring	Services	0.21	-	Not a Related Party

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

The Company has following outstanding balances as on March 31 2023, with the companies struck off under Companies Act, 2013 or Companies Act, 1956. However, no transactions have been entered during the year

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2023 (₹ in Crores)	Balance as on 31st March, 2022 (₹ in Crores)	Relationship with the struck off company
Chowdhary Motors Pvt. Ltd.	Supply	-	#	Not a Related Party
Convotech Projects Ltd.	Supply	-	#	Not a Related Party
Hal Water Vatika Pvt. Ltd.	Supply	-	0.01	Not a Related Party
Parmar Power System Pvt. Ltd.	Services	-	0.01	Not a Related Party
Satya Parkash & Bros Pvt.Ltd	Services	-	0.01	Not a Related Party
Rump Inspection & Engg	Services	-	#	Not a Related Party
Tricolite Engg. Pvt. Ltd.	Services	-	#	Not a Related Party
Mac International Infra Pvt Ltd.	Services	-	0.01	Not a Related Party
Zoiros Infratech Pvt Ltd	Services	-	0.02	Not a Related Party
I Dream Infratech Private Limited	Services	-	0.02	Not a Related Party
Auskini Infraqp Pvt Ltd	Services	-	0.01	Not a Related Party
Hbc Infratech Pvt. Ltd.	Services	-	#	Not a Related Party
Kamlesh Projects Private Limited	Services	-	0.06	Not a Related Party
Bikram Construction Private Limited	Services	-	0.02	Not a Related Party
Viradhya Infratech Private Limited	Services	0.02	0.02	Not a Related Party
Pankasooraj Foundations Private Ltd.	Services	-	#	Not a Related Party
Engicon India Pvt Ltd	Services	-	0.02	Not a Related Party
Sohum Habitat Pvt. Ltd.	Services	-	#	Not a Related Party
Sunrise Systems Ltd.	Services	-	#	Not a Related Party
Precision Calibration And Services	Services	-	#	Not a Related Party
Anp Geo Infra Pvt. Ltd.	Services	0.01	0.01	Not a Related Party
Varmine Construction Private Limited	Services	#	-	Not a Related Party
Mm & Ay Infra Projects Private Limited	Services	#	-	Not a Related Party
Srianandam Infratech Private Limited	Services	#	-	Not a Related Party

Note:- Amount mentioned as "#" is below rounding off norms adopted by the company.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Utilisation of borrowed funds and share premium

A. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(xi) Registration of charges or satisfaction with Registrar of Companies -

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

48. Financial instruments

48.1 Capital management

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

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

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital and the risks associated with each class of capital. The gearing ratio at March 31, 2023 is 0.53 (net debt/equity).

48.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows. (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Debt (Refer note i)	1,577.96	1,561.00
Cash and bank balances	(162.42)	(277.62)
Net debt	1,415.54	1,283.38
Total Equity (Refer note ii)	2,668.88	2,238.82
Net debt to equity ratio	0.53	0.57

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts as described in notes 14 and 20 and includes interest accrued but not due on borrowings)

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

48.2 Categories of financial instruments

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

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Financial assets		
Measured at amortised cost		
(a) Trade receivables	2,696.74	2,867.82
(b) Cash and bank balances	112.95	206.50
(c) Bank balance other than (b) above	49.47	71.12
(d) Loans	14.89	23.91
(e) Other financial assets	762.20	400.33
Measured at FVTOCI		
(a) Investments in equity instruments	0.50	0.89
Total Financial Assets	**3,636.75**	**3,570.57**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,577.96	1,561.00
(b) Trade payables	3,913.66	3,044.90
(c) Other financial liabilities	519.09	677.57
Total Financial Liabilities	**6,010.71**	**5,283.47**

48.3 Financial risk management objectives

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

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

48.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

48.5 Foreign currency risk management

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions in various countries. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

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

Particulars	Liabilities		Assets	
	As at 31st March, 2023		As at 31st March, 2023	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
AED Currency	0.65	14.49	0.06	1.39
BDT Currency	632.47	485.23	602.22	462.02
BHD Currency	0.01	2.84	0.00	0.01
BTN Currency	7.97	7.97	20.18	20.18
EURO Currency	0.28	24.57	1.34	120.05
GBP Currency	0.00	0.07	0.00	0.12
GHS Currency	28.77	205.56	24.17	172.67
JOD Currency	0.00	0.16	0.03	3.29
JPY Currency	1.45	0.90	0.01	0.01
KWD Currency	0.55	148.07	0.79	210.91
MRU Currency	17.92	43.25	2.57	6.20
MUR Currency	47.22	85.55	79.02	143.16
MVR Currency	169.62	903.84	154.93	825.54
MZN Currency	46.85	60.90	159.18	206.89
NPR Currency	0.19	0.12	0.02	0.01
OMR Currency	0.00	0.04	-	-
QAR Currency	-	-	0.50	11.24
SAR Currency	0.00	0.02	-	-
SGD Currency	0.00	0.00	-	-
TZS Currency	365.87	12.88	51.09	1.80
USD Currency	8.35	685.98	3.23	265.30
XAF Currency	1,257.53	170.90	1,693.44	230.14
XOF Currency	346.27	47.06	82.94	11.27
ZAR Currency	0.01	0.06	-	-
ZMW Currency	28.79	111.86	-	-

Particulars	Liabilities		Assets	
	As at 31st March, 2022		As at 31st March, 2022	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
USD Currency	4.52	342.53	1.89	143.36
EURO Currency	0.11	9.86	0.43	36.18
QAR Currency	13.19	274.73	13.69	285.10
OMR Currency	0.00	0.04	-	-
MUR Currency	144.79	242.78	191.17	320.53
UAE Currency	0.07	1.52	5.72	117.94
JOD Currency	0.00	0.14	0.04	4.34
BHD Currency	0.01	2.62	0.00	0.01
KWD Currency	0.88	219.18	0.98	244.46
GBP Currency	0.00	0.03	0.01	0.63
JPY Currency	1.96	1.22	-	-
BDT Currency	495.36	443.15	442.88	396.20
SAR Currency	0.00	0.01	0.04	0.88
GHS Currency	27.32	283.66	14.53	150.84
SGD Currency	0.00	0.01	-	-
ZMW Currency	57.56	241.70	-	-
MZN Currency	101.47	121.68	223.56	268.10
MRU Currency	32.07	67.12	-	-
BTN Currency	30.33	30.33	-	-
TZS Currency	1,136.21	37.15	2,153.83	70.43
MVR Currency	141.83	707.17	37.74	188.19
XAF Currency	675.36	86.45	991.42	126.90
XOF Currency	-	-	0.70	0.09

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

48.5.1 Foreign currency sensitivity analysis

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

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

(₹ in Crores)

Particulars	USD Currency Impact		Euro Currency Impact		KWD Currency Impact	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(21.03)	(9.96)	4.77	1.32	3.14	1.26
Decrease in exchange rate by 5%	21.03	9.96	(4.77)	(1.32)	(3.14)	(1.26)

Particulars	GHS currency impact		ZMW currency impact		MUR currency impact	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(1.64)	(6.64)	(5.59)	(12.08)	2.88	3.89
Decrease in exchange rate by 5%	1.64	6.64	5.59	12.08	(2.88)	(3.89)

Particulars	MZN currency impact		MRU currency impact		MVR currency impact	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Impact on profit or loss for the year						
Increase in exchange rate by 5%	7.30	7.32	(1.85)	(3.36)	(3.91)	(25.95)
Decrease in exchange rate by 5%	(7.30)	(7.32)	1.85	3.36	3.91	25.95

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

48.5.2 Derivative financial instruments

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

48.6 Interest rate risk management

The Company is exposed to interest rate risk because entities in the company borrow foreign currency and local currency funds at floating interest rates. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The Company's exposure to interest rate changes at the end of reporting period are as follows: (₹ in Crores)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Borrowing at Fixed Rate	773.69	1,006.15
Borrowing at Floating Rate	787.72	546.24
Total Borrowings	**1,561.41**	**1,552.39**

48.6.1 Interest rate sensitivity analysis

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's profit for the year ended March 31, 2023 would decrease/increase by ₹ 3.94 Crores (March 31, 2022: decrease/increase by ₹ 2.73 Crores). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

48.7 Other price risks

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

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

48.7.1 Equity price sensitivity analysis

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

If equity prices had been 5% higher/lower:

Other comprehensive income for the year ended March 31, 2023 would increase / decrease by ₹ 0.01 Crores (2021-22: increase / decrease by ₹ 0.01 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

48.8 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from investment in debt instruments, loans, trade receivables, other receivables, cash and bank balance and derivate financial instruments.

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

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

Trade receivables and loan receivable

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

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

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from group companies, they have been considered to enjoy the low credit risk as they meet the following criteria:

  i) they have a low risk of default,

  ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and

  iii) the Company expect, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfill its obligations.

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

(C) For other trade receivables (including contract assets), the Company uses “General Model” for the measurement of expected credit loss (ECL) for trade receivables as well as contract asset

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

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

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

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

Refer note 5 and note 8 for reconciliation of expected credit loss balance on financial assets.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

48.9 Liquidity risk management

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

48.9.1 Liquidity risk table

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

(₹ in Crores)

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1 to 5 years	5+years	Total
31st March, 2023					
Borrowings (including interest)	8.67%	1,046.49	663.04	-	**1,709.53**
Trade payables		3,440.82	472.84	-	**3,913.66**
Other financial liabilities		362.21	156.88	-	**519.09**
		4,849.52	**1,292.76**	**-**	**6,142.28**
31st March, 2022					
Borrowings (including interest)	8.00%	1,196.10	451.11	-	**1,647.21**
Trade payables		2,605.17	439.73	-	**3,044.90**
Other financial liabilities		489.48	188.09	-	**677.57**
		4,290.75	**1,078.93**	**-**	**5,369.68**

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

For Contractual maturities of lease liabilities refer note 50 (iii).

48.10 Fair value measurements

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

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

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

(₹ in Crores)

Financial assets / financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2023	As at 31st March, 2022		
Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.50	0.89	Level 1	The investment in quoted instruments are measured at fair value based on quoted prices in active market.

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

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

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

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

a) **Financial Assets**

Cash and bank balances

Bank balance other than above

Trade receivables

Loans

Other financial assets

b) **Financial Liabilities**

Short term borrowings

Trade payables

Other financial liabilities

Lease Liabilities

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

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**787.72**	**787.72**	**546.24**	**546.24**
- Borrowings	787.72	787.72	546.24	546.24

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 49. Disclosure pursuant to Ind AS 115, "Revenue from Contracts with Customers".

(i) Disaggregation of revenue from contracts with customers into geographical areas for the year ended March 31, 2023 recognised in the statement of profit & loss

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Segment revenue		
India	8,633.19	7,484.56
Outside India	3,833.42	3,013.99
Revenue from external customers	**12,466.61**	**10,498.55**
Timing of revenue recognition		
At a point in time	161.79	149.82
Over time	12,304.82	10,348.73
	12,466.61	**10,498.55**

(ii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting period is ₹ 36,749.95 Crores (Previous year ₹ 33,815.36 Crores). Management expects that about 40% of the transaction price allocated to unsatisfied contracts as of 31st March, 2023 will be recognized as revenue during next reporting period depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

(iii) Reconciliation of contract price with revenue recognised during the year: (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Revenue as per contract price	12,521.55	10,539.06
Adjustments for:		
Payments on behalf of customer	(54.94)	(40.51)
Revenue from Operations	**12,466.61**	**10,498.55**

(iv) Significant changes to Contract Asset and Contract Liability from April 1, 2022 to March 31, 2023 (₹ in Crores)

	Contract Assets	Contract Liabilities
April 1, 2022	3,824.48	4,475.60
Changes in Contract Asset/ Liabilities	707.83	(51.44)
March 31, 2023	**4,532.31**	**4,424.16**

* The contract assets and liabilities undergo a change periodically, due to changes in the contractual estimates for the projects on account of any change in scope of work, unprecedented delays, etc. During the year the company has additionally recognised a loss allowance for contract assets in accordance with Ind AS 109.

(v)
- For movement in Expected Credit Loss of Trade Receivables and Contract Assets, refer Note 8.1 of the financial statement.
- For Trade Receivable refer Note 5 of the financial statement.
- For Contract liabilities of the Standalone refer Note 17 of the financial statement.

(vi) Contracts assets and liabilities balance (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Contracts in progress at the end of the reporting period:		
Construction cost incurred plus recognised profits less recognised loss to date	56,865.36	41,475.13
Less : Progress billings	53,454.07	39,234.21
	3,411.29	**2,240.92**
Recognised and included in the financial statements as amounts due :		
- from customers under construction contracts	4,532.31	3,824.48
- to customers under construction contracts	(1,121.02)	(1,583.56)
	3,411.29	**2,240.92**

(vii) The Company recognised revenue amounting to ₹ 1,377.45 Crores in the current reporting year (Previous year ₹ 1,179.29 Crores) that was included in the contract liability as of April 01, 2022.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 50 - Disclosure pursuant to Ind AS 116 "Leases".

The Company leases land and buildings. Rental contracts are typically made for fixed periods of 12 months to 6 years, but may have extension options as described in (v) below.

(i) Amounts recognised in the balance sheet

a. Right-to-use assets (₹ in Crores)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Land	3.D	42.41	50.96
Building	3.D	6.31	14.60

b. Lease Liabilities (₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Current	33.75	33.83
Non-current	15.68	34.20

(ii) Amounts recognised in the statement of profit and loss (₹ in Crores)

Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
Expense relating to short-term leases (included in other expenses)**	29	35.75	404.01
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	29	0.49	0.88
Interest on lease liability	27	5.12	6.68
Depreciation during the year	28	41.73	38.70
Total		**83.09**	**450.27**

** Rent expense relating to short-term leases of identified assets and variable lease payments under Ind AS 116 included in Note 24.1 and Note 29 as mentioned above stands to ₹ 35.75 Crores However, the total of rent and hire charges included in Note 24.1 and Note 29 stands at ₹ 710.29 Crores the differential of ₹ 674.54 Crores is on account of hire charges of the assets which are unidentified assets under Ind AS 116.

(iii) Maturities of lease liabilities as at March 31, 2023 (₹ in Crores)

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	33.75	15.68	-	49.43
	33.75	**15.68**	**-**	**49.43**

(iv) Total cash outflow for leases for the year ended 31 March 2023 was ₹ 43.45 Crores

(v) Extension and termination options

Extension and termination options are included in a number of Land, Office Premises, Houses and Godowns leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operation. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(vi) Practical expedients applied :

In applying Ind AS 116 the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at 1st April, 2023 as short-term leases
- using hindsight in determining the lease term where the contract contains option to extend or terminate the lease
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.

(vii) The lessee's range of weighted average incremental borrowing rate applied to the lease liabilities for the entire Company was 9.25%.

(viii) Lessor accounting

The Company did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of Ind AS 116.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 51: Financial ratios

Sr. No.	Ratio	Numerator	Denominator	Current period	Previous period	% Variance	Reason for variance
a)	Current Ratio	Current assets	Current liabilities	1.03	1.03	1%	
b)	Debt-equity ratio	Total debt	Total equity	0.59	0.70	-15%	
c)	Debt service coverage ratio	Profit after tax + Depreciation and amortlsation expense + Finance cost	Debt service (Principal repayment of debt + Interest on debt)	0.61	0.73	-17%	
d)	Return on equity ratio	Net profit after tax reduced by preference dividend	Average shareholders equity	16.69%	12.17%	37%	Increase in net profit
e)	Inventory turnover ratio	Cost of construction materials consumed+Stores and Spares Consumed	Average inventory	3.16	3.77	-16%	
f)	Trade receivables turnover ratio	Revenue from Operations	Average trade receivable	4.48	3.68	22%	
g)	Trade payables turnover ratio	Cost of construction materials consumed+Cost of Construction	Average trade payable	2.56	2.47	3%	
h)	Net capital turnover ratio	Revenue from Operations	Working capital (Current Assets - Current Liabilities)	48.34	58.78	-18%	
i)	Net profit ratio	Net profit	Revenue from Operations	3.29%	2.47%	33%	Increase in net profit
j)	Return on capital employed	Earnings before interest and tax	Capital employed (Total Assets - Current Liabilities)	0.17	0.13	24%	
k)	Return on investment	Earnings before interest and tax	Average total assets	0.07	0.06	22%	

Note 52.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 53.

As of 31st March, 2023 the Company has an outstanding receivables amounting to ₹ 92.77 Crores from SP Jammu Udhampur Highway Limited (SP Juhi) under the EPC contract for the Jammu Udhampur Road Project of NHAI. SP Juhi had assigned the same to Shapoorji Pallonji Solar Holdings Pvt Ltd. (SP Solar) vide deed of assignment dated 20th July, 2022 between SP Juhi and SP Solar.

Note 54.

The financial statement was approved and adopted by the Board Of Directors in it's meeting held on 16th June, 2023.

In terms of our report attached		**For and on behalf of the Board of Directors**	
For DELOITTE HASKINS & SELLS LLP **CHARTERED ACCOUNTANTS** **Firm Registration No.117366W/W-100018**	**For HDS & ASSOCIATES LLP** **CHARTERED ACCOUNTANTS** **Firm Registration No. W100144**	**K.SUBRAMANIAN** **Executive Vice Chairman** **Din:00047592**	**S.PARAMASIVAN** **Managing Director** **Din:00058445**
NILESH SHAH **Partner** **Membership No. 049660**	**SURESH K. JOSHI** **Partner** **Membership No. 030035**	**RAMESH KUMAR JHA** **Chief Financial Officer**	**GAURANG M. PAREKH** **Company Secretary**
Place: Mumbai **Date: 16th June, 2023**			

INDEPENDENT AUDITOR'S REPORT

To The Members of

AFCONS INFRASTRUCTURE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Afcons Infrastructure Limited** ("the Parent") and its 12 subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date of the 21 branches of the Group located at Mauritius, Mozambique, Gabon, Zambia, Mauritania, Ghana, Bhutan, Bangladesh, Liberia, Tanzania, Kuwait, Maldives, Indonesia, Qatar, Peru, Ivory Coast, Jordan, Oman, Abu Dhabi, Bahrain and Benin and which includes 16 jointly controlled operations of the Group accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the branch auditors and other auditors on separate financial statements of the branches, jointly controlled operations and subsidiaries referred to in the Other Matters section below, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

1. We draw attention to Note no. 40 of the consolidated financial statements, which describes the uncertainties relating to the outcome of the negotiation/ proceedings in arbitration and High Court in respect of variations recognised by the company in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 40, the management of the company is of the view that the amounts recognised as amount due from customers under construction contracts, are considered as good and fully recoverable and no provision is considered necessary at this stage.

2. Audit report on the Financial Statements of Transtonnelstroy Afcons Joint Venture (a jointly controlled operation included in the Consolidated Financial Statements of the Group) includes an emphasis of matter as under:

   "We draw attention to Note 34 to the Financial Statements, which describes the uncertainties relating to the outcome of the negotiation, proceedings in arbitration, High Court and Supreme Court in respect of variations recognised by the joint venture in earlier years in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by legal opinion, the management is of the view that the amounts recognised as amount due from customers under construction contracts and trade receivable including interest on trade receivables as per arbitration award, are considered as good and fully recoverable and no provision is considered necessary at this stage.

   Our opinion is not modified in respect of this matter."

   Note 34 as described above is reproduced as Note 37 to the Consolidated Financial Statements.

3. Audit report on the Financial Statements of Afcons Gunanusa Joint Venture (a jointly controlled operation included in the Consolidated Financial Statements of the Group) includes an emphasis of matter as under:

   "We draw attention to Note 27 to the Financial Statements, which describes the uncertainties relating to the outcome of the arbitration proceedings in respect of claims recognized by the Joint Venture in the earlier years, on account of change orders.

   Based on the Management's estimates and technical evaluation of the recoverability in terms of the provisions of the contract, which is supported by external legal opinion, the management is of the view that the amounts recognized as amount due from customers under construction contract are considered as good and fully recoverable and no provision is considered necessary at this stage.

   Our opinion is not modified in respect of this matter."

   Note 27 as described above is reproduced as Note 36 to the Consolidated Financial Statements.

4. Audit report on the Financial Statements of Dahej Standby Jetty Project Undertaking (a jointly controlled operation included in the Consolidated Financial Statements of the Group) includes an emphasis of matter as under:

"We draw attention to Note no. 23 to the Financial Statement, which describes the uncertainties relating to the outcome of the Hon'ble High Court Delhi, proceedings, where the Joint Venture has filed appeal to set aside an unfavourable award granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture.

Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid client claims which are already encashed and claims filed by the Joint Venture against the client, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 23, the management is of the view that the amounts recognised as amount due from customers under construction contracts and other receivable, are considered as good and fully recoverable and no provision is considered necessary at this stage.

Our opinion is not modified in respect of this matter."

Note 23 as described above is reproduced as Note 38 to the Consolidated Financial Statements.

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

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexures to Board's report, but does not include the consolidated financial statements, standalone 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, compare with the financial statements of the branches, jointly controlled operations and subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the branches, jointly controlled operations and subsidiaries, is traced from their financial statements audited by the branch auditors and other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Parent's 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 branches, entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such branches or entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other branches or entities or business activities included in the consolidated financial statements, which have been audited by the branch auditors or other auditors, such branch auditors and 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.

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

We communicate with those charged with governance of the Parent 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.

Other Matters

(a) We did not jointly audit the financial statements/ financial information of 12 branches and 16 jointly controlled operations included in the standalone financial statements of the companies included in the Group whose financial statements/financial information reflect total assets of Rs. 5,188.80 Crores as at March 31, 2023 and total revenue of Rs. 4,204.16 Crores for the year ended on that date, as considered in the respective standalone financial statements of the companies included in the Group. The financial statements / financial information of these branches and jointly controlled operations have been audited by the branch auditors or either of us in our individual capacity or jointly with other auditors or other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and jointly controlled operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branches and jointly controlled operations, is based solely on the report of such branch auditors, report issued by either of us in our individual capacity or jointly with other auditors and other auditors.

(b) We did not jointly audit the financial statements / financial information of 7 subsidiaries, whose financial statements / financial information reflect total assets of Rs. 966.31 Crores as at March 31, 2023, total revenues of Rs. 224.95 Crores and net cash (outflows) amounting to Rs. (34.27) Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(c) We did not jointly audit the financial statements / financial information of 9 branches, whose financial statements / financial information reflect total assets of Rs. 453.10 Crores as at March 31, 2023 and total revenues of Rs. 9.02 Crores for the year ended on that date, as considered in the consolidated financial statements.

We did not jointly audit the financial statements / financial information of 5 subsidiaries, whose financial statements / financial information reflect total assets of Rs. 69.94 Crores as at March 31, 2023, total revenues of Rs. 2.08 Crores and net cash inflows amounting to Rs. 0.54 Crores for the year ended on that date, as considered in the consolidated financial statements.

These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these branches and subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements / financial information certified by the Management.

(d) The Company's consolidated financial statements for the year ended March 31, 2022, were jointly audited by Price Waterhouse Chartered Accountants LLP, Chartered Accountants (predecessor joint auditor) and HDS & Associates LLP, Chartered Accountants, who vide their report dated July 29, 2022, expressed an unmodified opinion on consolidated financial statements.

Our opinion on the consolidated financial statements is not modified in respect of the above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and based on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches, jointly controlled operations, and subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept and proper returns adequate for the purposes of our audit have been received from the branches not visited by us, so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The reports on the accounts of the branch offices of the Companies included in the Group audited under Section 143(8) of the Act by branch auditors have been sent to us and other auditors and have been properly dealt with by us in preparing this report.

   d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received by us from the branches not visited by us.

   e) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   f) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its joint controlled operation company and subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, its jointly controlled operation company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

      Further, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of a jointly controlled operation company and subsidiary companies incorporated in India, the said jointly controlled operation company and subsidiary companies being private companies, section 197 of the Act related to the managerial remuneration is not applicable.

   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, as amended 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- Refer Note 29, 36, 37, 38, 41, 42, 43 and 44 to the consolidated financial statements;

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 18 to the consolidated financial statements. Further the Group did not have any material foreseeable losses on derivative contracts;

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

         There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the jointly controlled operation company and subsidiary companies incorporated in India.

      iv) (a) The respective Managements of the Parent, one of its jointly controlled operation company and 4 subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such jointly controlled operation company and subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 47(x) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such jointly controlled operation company and subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such jointly controlled operation company and subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and one of its jointly controlled operation company and 4 subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such jointly controlled operation company and subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 47(x) to the consolidated financial statements, no funds have been received by the Parent or any of such jointly controlled operation company and subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such jointly controlled operation company and subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the jointly controlled operation and subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The preference dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 12(B) and 12.10 to the consolidated financial statements, the Board of Directors of the Parent have proposed dividend on equity and preference shares for the year 2022-2023, which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

The jointly controlled operation company and subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its jointly controlled operation and subsidiaries which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 23049660BGYEEV5931

Place: Mumbai
Date: June 16, 2023

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 23030035BGVZNO4205

Place: Mumbai
Date: June 16, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements 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 Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Afcons Infrastructure Limited (hereinafter referred to as "Parent") and its 4 subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of the Company's one of its jointly controlled operation, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its jointly controlled operation and subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its jointly controlled operation and subsidiary companies, which are companies incorporated in India, 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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 and the audit evidence obtained by the other auditors of the jointly controlled operation and subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its jointly controlled operation and subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its jointly controlled operation and subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 jointly controlled operation and 4 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 23049660BGYEEV5931

Place: Mumbai
Date: June 16, 2023

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 23030035BGVZNO4205

Place: Mumbai
Date: June 16, 2023

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Consolidated Balance Sheet as at 31st March, 2023 (₹ in Crores)

	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	2,448.75	2,251.39
	(b) Capital work-in-progress	3.B	183.60	17.53
	(c) Right-of-use assets	3.E	48.72	65.56
	(d) Goodwill	3.C	0.14	0.14
	(e) Intangible assets	3.D	0.61	0.66
	(f) Financial assets			
	(i) Investments	4	0.50	0.89
	(ii) Trade receivables	5	651.22	678.88
	(iii) Other financial assets	7	365.92	308.97
	(g) Contract assets	8	1,416.49	1,491.29
	(h) Non current tax assets (net)	11	28.80	68.73
	(i) Other non-current assets	8.2	181.54	196.64
	Total non-current assets		**5,326.29**	**5,080.68**
2	**Current assets**			
	(a) Inventories	9	1,585.79	1,270.24
	(b) Financial assets			
	(i) Trade receivables	5	2,196.63	2,303.87
	(ii) Cash and cash equivalents	10	319.32	447.08
	(iii) Bank balances other than (ii) above	10.1	58.12	79.34
	(iv) Loans	6	53.35	55.07
	(v) Other financial assets	7	398.31	92.37
	(c) Contract assets	8	3,272.51	2,471.53
	(d) Other current assets	8.2	1,090.92	1,173.57
	Total current assets		**8,974.95**	**7,893.07**
	Total assets (1+2)		**14,301.24**	**12,973.75**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12.A	71.97	71.97
	(b) Instruments entirely equity in nature	12.B	450.00	450.00
	(c) Other equity	13	2,653.72	2,190.09
	Equity attributable to shareholders of the Company		3,175.69	2,712.06
	Non controlling interest		1.56	(9.28)
	Total Equity		**3,177.25**	**2,702.78**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	596.48	401.89
	(ii) Lease Liabilities		15.68	34.20
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		51.95	29.05
	(b) Total outstanding due to creditors other than micro and small enterprises		420.89	410.68
	(iv) Other financial liabilities	16	156.88	188.09
	(b) Contract liabilities	17	1,524.03	1,766.30
	(c) Provisions	18	8.87	7.01
	(d) Deferred tax liabilities (net)	21	99.29	129.75
	Total non-current liabilities		**2,874.07**	**2,966.97**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	966.35	1,153.31
	(ii) Lease Liabilities		33.75	33.83
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		375.93	303.81
	(b) Total outstanding due to creditors other than micro and small enterprises		3,132.57	2,393.51
	(iv) Other financial liabilities	16	362.37	494.79
	(b) Contract liabilities	17	3,015.28	2,713.84
	(c) Provisions	18	150.02	147.82
	(d) Current tax liabilities (net)	19	93.56	15.39
	(e) Other current liabilities	17.1	120.09	47.70
	Total current liabilities		**8,249.92**	**7,304.00**
	Total liabilities (A+B)		**11,123.99**	**10,270.97**
	Total equity and liabilities (1+2)		**14,301.24**	**12,973.75**
	See accompanying notes 1 to 54 forming part of the consolidated financial statement			

In terms of our report attached | **For and on behalf of the Board of Directors**

For DELOITTE HASKINS & SELLS LLP **CHARTERED ACCOUNTANTS** **Firm Registration No.117366W/W-100018**	**For HDS & ASSOCIATES LLP** **CHARTERED ACCOUNTANTS** **Firm Registration No. W100144**	**K.SUBRAMANIAN** **Executive Vice Chairman** **Din:00047592**	**S.PARAMASIVAN** **Managing Director** **Din:00058445**
NILESH SHAH **Partner** **Membership No. 049660**	**SURESH K. JOSHI** **Partner** **Membership No. 030035**	**RAMESH KUMAR JHA** **Chief Financial Officer**	**GAURANG M. PAREKH** **Company Secretary**

Place: Mumbai
Date: 16th June, 2023

Consolidated Statement of Profit and Loss for the year ended 31st March, 2023 (₹ in Crores)

Sr. No.	Particulars	Note	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	Revenue from operations	22	12,637.38	11,018.96
2	Other income	23	206.71	250.58
3	**Total income (1 + 2)**		**12,844.09**	**11,269.54**
4	**Expenses**			
	(a) Cost of material consumed	24	3,851.71	3,176.31
	(b) Cost of construction	24.1	5,200.65	4,939.63
	(c) Employee benefits expense	25	1,298.23	1,084.98
	(d) Finance costs	26	446.66	424.73
	(e) Depreciation and amortisation expense	27	471.58	355.37
	(f) Other expenses	28	976.18	881.97
	Total expenses		**12,245.01**	**10,862.99**
5	**Profit before tax (3 - 4)**		**599.08**	**406.55**
6	**Tax expense:**	21		
	(a) Current tax		189.43	127.67
	(b) Deferred tax		(29.79)	(78.72)
	(c) Tax expense relating to prior year (net)		28.58	-
	Total tax expense		**188.22**	**48.95**
7	**Profit for the year from continuing operations (5 - 6)**		**410.86**	**357.60**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investments measured at FVOCI		(0.40)	0.49
	(b) Remeasurements of defined benefit plans		(2.80)	(13.63)
	Add : Tax effect		0.70	3.43
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation		66.16	0.65
			63.66	**(9.06)**
9	**Total comprehensive income for the year (7 + 8)**		**474.52**	**348.54**
	Profit for the year attributable to:			
	- Owners of the Company		410.87	356.35
	- Non-controlling interest		(0.01)	1.25
			410.86	**357.60**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		63.66	(9.06)
	- Non-controlling interest		-	-
			63.66	**(9.06)**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		474.53	347.29
	- Non-controlling interest		(0.01)	1.25
			474.52	**348.54**
10	**Earnings per share (Face value of ₹ 10 each):**	31		
	(a) Basic earnings per share (rupees)		12.06	10.49
	(b) Diluted earnings per share (rupees)		12.06	10.49
	See accompanying notes 1 to 54 forming part of the consolidated financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP **CHARTERED ACCOUNTANTS** **Firm Registration No.117366W/W-100018**	**For HDS & ASSOCIATES LLP** **CHARTERED ACCOUNTANTS** **Firm Registration No. W100144**	**K.SUBRAMANIAN** **Executive Vice Chairman** **Din:00047592**	**S.PARAMASIVAN** **Managing Director** **Din:00058445**
NILESH SHAH **Partner** **Membership No. 049660**	**SURESH K. JOSHI** **Partner** **Membership No. 030035**	**RAMESH KUMAR JHA** **Chief Financial Officer**	**GAURANG M. PAREKH** **Company Secretary**

Place: Mumbai
Date: 16th June, 2023

Consolidated statement of changes in equity for the year ended 31st March, 2023

a) Equity share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2021	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2022	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	**71.97**

b) Instruments entirely equity in nature

Preference share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2021	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2022	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2023	**450.00**

c) Other equity (₹ in Crores)

Particular	Reserve and surplus							Other comprehensive income		Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contin-gencies reserve	Debenture redemption reserve	General reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income	
Balance as at 1st April, 2021	0.84	0.13	10.28	8.00	43.75	65.75	1,695.13	24.57	19.59	**1,868.04**
Profit for the year	-	-	-	-	-	-	356.35	-	-	**356.35**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	(10.20)	0.65	0.49	**(9.06)**
Total comprehensive income for the year	0.84	0.13	10.28	8.00	43.75	65.75	2,041.28	25.22	20.08	**2,215.33**
Dividend including tax thereon	-	-	-	-	-	-	(25.24)	-	-	**(25.24)**
Transferred to / (from) retained earnings	-	-	-	-	(43.75)	-	43.75	-	-	**-**
Balance as at 31st March, 2022	**0.84**	**0.13**	**10.28**	**8.00**	**-**	**65.75**	**2,059.79**	**25.22**	**20.08**	**2,190.09**
Balance as at 1st April, 2022	0.84	0.13	10.28	8.00	-	65.75	2,059.79	25.22	20.08	**2,190.09**
Profit for the year	-	-	-	-	-	-	410.87	-	-	**410.87**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	-	(2.10)	66.16	(0.40)	**63.66**
Other adjustment (Minority interest of Afcons Construction Mideast LLC)	-	-	-	-	-	-	(10.85)	-	-	**(10.85)**
Total comprehensive income for the year	0.84	0.13	10.28	8.00	-	65.75	2,457.71	91.38	19.68	**2,653.77**
Dividend including tax thereon	-	-	-	-	-	-	(0.05)	-	-	**(0.05)**
Balance as at 31st March, 2023	**0.84**	**0.13**	**10.28**	**8.00**	**-**	**65.75**	**2,457.66**	**91.38**	**19.68**	**2,653.72**

In terms of our report attached **For and on behalf of the Board of Directors**

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
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RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 16th June, 2023

Consolidated Cash Flow Statement for the year ended 31st March, 2023 (₹ in Crores)

Particulars	For the year ended 31st March, 2023	for the year ended 31st March, 2022
Cash flow from operating activities		
Profit before tax	**599.08**	**406.55**
Adjustments for :		
Depreciation and amortisation expense	471.58	355.37
Loss on property, plant and equipment sold/scrapped (net)	22.03	6.82
Interest income recognised in profit or (loss)	(43.42)	(63.79)
Insurance claim received	(17.45)	(29.64)
Finance costs	446.66	424.73
Bad debts/unbilled revenue and sundry debit balances written off	9.43	2.08
Provision for doubtful debtors/advances no longer required written back	(19.12)	(38.37)
Provision for expected credit loss	22.93	26.07
Creditors / excess provision written back	(4.44)	(33.50)
Provision for Doubtful Debtors / Advances	-	79.28
Provision for projected losses on contract (net)	3.01	(19.00)
Net exchange difference	(73.72)	(11.19)
Operating profit before working capital changes	**1,416.57**	**1,105.41**
Decrease in trade receivables (including retention monies)	125.15	57.87
(Increase) in inventories	(315.55)	(331.85)
(Increase) in contract assets	(731.41)	(37.32)
(Increase) in financial assets	(318.82)	(6.94)
(Increase) / (decrease) in non financial assets	164.10	(181.44)
Increase / (decrease) in trade payable	850.59	(257.64)
Increase in contract liabilities	123.26	401.93
(Decrease) in financial liabilities	(69.15)	(26.04)
Increase / (decrease) in other liabilities	72.39	(5.85)
Increase / (decrease) in provisions	(1.78)	8.79
Cash from operations	**1,315.35**	**726.92**
Refund/ (Payment) of Income Tax	(99.90)	(116.47)
Net Cash flow from operating activities	**1,215.45**	**610.45**
Cash flow from investing activities		
Payments for property, plant and equipment	(918.96)	(356.99)
Proceeds from sale of property, plant and equipment	9.03	5.13
Investment in other bank balance redeemed	74.36	22.76
Investment in other bank balance (made)	(63.56)	(5.20)
Interest received	11.49	54.04
Insurance claim received	17.45	29.64
Net Cash flow (used in) investing activities	**(870.19)**	**(250.62)**
Cash flow from financing activities		
Proceeds from long-term borrowings	374.34	204.43
Repayment of long-term borrowings	(179.75)	(275.18)
Proceeds / (Repayment) from short-term borrowings - net	(185.56)	41.69
Finance costs paid	(448.06)	(429.06)
Principal element of lease payments (net)	(43.45)	(37.65)
Dividend paid on equity shares (including tax thereon) (Interim)	-	(25.19)
Dividend paid on preference shares (including tax thereon)	(0.05)	(0.05)
Net Cash flow (used in) financing activities	**(482.53)**	**(521.01)**
Net decrease in cash and cash equivalents	**(137.27)**	**(161.18)**
Cash and cash equivalents at the beginning of the year	447.08	612.52
Effects of exchange rate changes on cash and cash equivalents	9.51	(4.26)
Cash and cash equivalents at the end of the year	**319.32**	**447.08**

Notes

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

Consolidated Cash Flow Statement for the year ended 31st March, 2023 (Continued)

Net debt reconciliation (₹ in Crores)

Particulars	31st March, 2023	31st March, 2022
Cash and Cash equivalent	319.32	447.08
Liquid investments	58.12	79.34
Finance lease obligations	(49.43)	(68.03)
Current / Non-current borrowings	(1,562.83)	(1,555.20)
Net Debt	**(1,234.82)**	**(1,096.81)**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and Cash equivalent	Liquid investment	Finance lease obligations	Borrowings	
Net Debt as on 1st April, 2021	**612.52**	**98.42**	**(27.65)**	**(1,588.59)**	**(905.30)**
Cash flows	(161.18)	(19.08)	-	29.06	**(151.20)**
Acquisitions - finance leases	-	-	(33.68)	-	**(33.68)**
Foreign exchange adjustments	(4.26)	-	(0.02)	-	**(4.28)**
Interest expense	-	-	(6.68)	(199.48)	**(206.16)**
Interest paid	-	-	-	203.81	**203.81**
Net debt as on 31st March, 2022	**447.08**	**79.34**	**(68.03)**	**(1,555.20)**	**(1,096.81)**
Cash flows	(137.27)	(21.22)	-	(9.03)	**(167.52)**
Disposals - finance leases	-	-	23.72	-	**23.72**
Foreign exchange adjustments	9.51	-	0.00	-	**9.51**
Interest expense	-	-	(5.12)	(237.68)	**(242.80)**
Interest paid	-	-	-	239.08	**239.08**
Net debt as on 31st March, 2023	**319.32**	**58.12**	**(49.43)**	**(1,562.83)**	**(1,234.82)**

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
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Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 16th June, 2023

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 1: General information

Afcons Infrastructure Limited (the "Company" or "Afcons") is a limited company incorporated in India. Its parent company is Shapoorji Pallonji Company Private Limited. The Company together with its Jointly controlled operations and subsidiaries (as detailed in note 2.a & 2.b) is herein after referred to as the 'Group'.

The address of its registered office is "Afcons House", 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Company and its subsidiaries and jointly controlled operations (the "Group") are infrastructure activities. Afcons has a presence in almost the entire spectrum of infrastructure activities in India and overseas. The Group is engaged in marine works, highways, bridges, metro works, power houses, tunnels, oil and gas, LNG tanks and other general civil engineering projects both in India and overseas.

Standards issued and effective from April 01, 2022:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

Ind AS 103- Business Combinations

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

Ind AS 16 - Property, Plant and Equipment

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

There were certain amendments to standards and interpretations which are applicable for the first time for the year ended 31 March 2023, but either the same are not relevant or do not have an impact on the financial statements of the company.

Standards issued but not yet effective

On March 31, 2023, Ministry of Corporate Affairs ("MCA") amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its financial statements.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

A. Basis of preparation and presentation

i) Compliance with Ind AS

The consolidated financial statements of Afcons Infrastructure Limited ("The Company" or "Afcons") has been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended time to time) and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs.

ii) Historical cost convention

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

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

iii) Operating cycle

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

- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

All other liabilities are classified as non-current.

iv) Basis of consolidation

The consolidated financial statement incorporates the financial statement of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Group and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the net assets of the associate , since the acquistion date. On acquisition of the investment in an associate , any excess of the cost of the investment over the Group's share of the net fair value of the identiable assets and liabilities of investee is recognised as Goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognised in equity as Capital reserve, in the period in which the investment is acquired.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate. Any change in Other Comprehensive Income (OCI) is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of that changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains or losses, resulting from transactions between the Group and the associate, are eliminated to the extent of the interest in the associate.

When the Group's share of losses of an associate or equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profit equals the share of losses not recognised.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.B.14.3 below.

When necessary, adjustments are made to the financial statement of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

The group's share of the results, assets and liabilities of contracts carried out in conjunction with another party are included under each relevant heading in the consolidated financial statement.

Significant accounting policies

1.B.1. Goodwill

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

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

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

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

1.B.2. a) Interests in Jointly Controlled Operations

Company enters into Joint Venture arrangement with other parties for execution of construction arrangements for which an unincorporated vehicle is formed having an independent legal status for the tax purpose i.e. Association of person/Body of individual etc. Such arrangement (also called as jointly controlled operations) is considered as extension of business, if in accordance with the terms of the arrangement, Company acts as a principal and remains solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, all the assets, liabilities, revenue and expenses pertaining to such unincorporated vehicle is consolidated in the separate financial statements of the Company.

Similarly, in case the Company is acting as an agent in such kind of arrangements, where the other party to the arrangement is solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, the Company recognises its share of profits/fees as determined in the arrangement in the separate financial statements of the Company.

1.B.2. b) Interest in unincorporated Joint ventures

When the Company enters into a joint venture (JV) arrangement with other parties and an incorporated vehicle is formed which has a separate status for tax purposes (i.e. Association of person/Body of individual etc.) and if as per the terms of agreement, the Company remains liable for all the liabilities of the unincorporated vehicle and is also responsible for funding or contributing assets to the unincorporated vehicle for construction activity, this unincorporated vehicle (also considered and called as Jointly controlled operation) has been considered as an extension of the Company from accounting point of view and assets, liabilities, revenue and expenses are consolidated on the basis of its share in the operations in the separate financial statement of the Company.

1.B.3. Revenue recognition

Sale of goods

Revenue from sale of goods is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control as per the incoterms. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Rendering of services:

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Construction contracts:

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

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

Due to the nature of the work required to be performed on the performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discounts, if any. The Group considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Group includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available. Various agreements are entered with customers wherein the Group pays a certain portion of the finance cost to the funding agencies of the project. In practice, these payments are considered as payment on behalf of the customer. These payments are not related to a distinct service or product by customer. An estimated amount to be paid over the lifecycle of the project is calculated and accordingly the same is accounted for as a reduction of contract revenue.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to the customers are generally due upon expiration of the contract period or any other conditions as mentioned in the contract.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Group's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage. The same is presented as contract liability in the statement of financial position.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Dividend and interest income

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

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

Other operating income

Income from export incentives is recognised on cash basis to the extent the ultimate realisation is reasonably certain.

1.B.4. Foreign currencies

(i) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statement is presented in Indian Rupee (INR), which is Group's functional and presentation currency. For each entity (subsidiaries and Jointly controlled operations), the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing these consolidated financial statements, the Group has applied following policies:

A) Foreign Branches of the Group: -

1. Income and expense items are translated at the exchange rates at the dates of the transactions and all resulting exchange differences are recognised in the Statement of Profit and Loss.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

2. Non-monetary assets and liabilities are measured in terms of historical cost in foreign currencies and are not translated at the rates prevailing at the reporting period. Monetary assets and liabilities are translated at the rates prevailing at the end of each reporting period. Exchange differences on translations are recognised in the Consolidated Statement of Profit and Loss.

B) Joint Operations and subsidiaries outside India with functional currency other than presentation currency:

1. Assets and liabilities, both monetary and nonmonetary are translated at the rates prevailing at the end of each reporting period.
2. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

(ii) Other Transactions and balances

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

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

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

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

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

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

1.B.5. Borrowing costs

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

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

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

1.B.6. Employee benefits

1.B.6.1 Retirement benefit costs and termination benefits

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

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

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

Defined benefit costs are categorised as follows:

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

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

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

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

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

1.B.6.2 Short-term and other long-term employee benefits

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

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

1.B.7 Taxation

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

1.B.7.1 Current tax

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

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

1.B.7.2 Deferred tax

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

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

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

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

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

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

1.B.7.3 Current and deferred tax for the year

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

1.B.8 Property, plant and equipment

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

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

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipment - 5 years

Freehold land is not depreciated

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road making, Laboratory & Welding Equipment, Floating Equipment - 20 Years.

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

Cost of shuttering materials, issued to jobs, is charged off equally over a period of 4 years.

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

1.B.8.1 Capital work-in-progress

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

1.B.9 Intangible assets

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

Computer software - 5 years

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

1.B.10 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

1.B.11 Inventories

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

1.B.12 Provisions and contingent liabilities

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

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

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

1.B.13 Financial instruments

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

Initial Recognition

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

1.B.14 Financial assets

Classification and subsequent measurement of financial assets

1.B.14.1 Classification of financial assets

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

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

The classification is done depending upon the Group's business model for managing the financial assets and the contractual terms of the cash flows. Classification for investments made in debt instruments will depend on the business model in which the investment is held. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

1.B.14.2 Subsequent measurement

Debt instruments

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

Amortised cost

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

Fair value through other comprehensive income

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

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

Fair value through profit or loss

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

Equity instruments

Investments in equity instruments at FVTPL

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

Investments in equity instruments at FVTOCI

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

1.B.14.3 Impairment of financial assets

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

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

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

1.B.14.4 Effective interest method

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

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

1.B.14.5 De-recognition of financial assets

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

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

1.B.14.6 Foreign exchange gains and losses

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

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

1.B.15 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Treasury shares

In the consolidated financial statements, when any entity within the Group purchases the Group's ordinary shares, the consideration paid, including any directly attributable incremental cost, is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is transferred to/ from share premium.

1.B.15.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

1.B.15.2 De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.B.15.3 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income' as 'Net foreign exchange gains/(losses)'.

1.B.16 Derivative financial instruments

The Group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

1.B.17 Leases:

The Group as lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Contracts may contain both lease and non-lease components. The Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

1) **Lease Liabilities**

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate (since the interest rate implicit in the lease cannot be easily determined). Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2) Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

3) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise assets having value less than ₹ 350,000.

The Group as lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

1.B.18 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year.

Ordinary shares to be issued upon conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

1.B.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the Group, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 32 for segment information presented.

1.B.20 Credit Risk

The Group assess on a forward-looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Group considers historical credit loss experience and adjusted for forward-looking information. Note 48.8 details how the Group determines whether there has been a significant increase in credit risk.

1.B.21 Government grants, subsidies and export incentives

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

C. Critical estimates and judgements

a) Revenue recognition

The Group's revenue recognition policy, which is set out in Note B.3, is central to how the Group values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of long-term construction services, which require assessments and judgements to be made on changes in scope of work and claims and variations.

Across construction services there are several long-term and complex projects where the Group has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract.

- Determination of stage of completion;
- Estimation of project completion date;
- Provisions for foreseeable losses; and
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue and costs in respect of construction contracts are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

b) Taxation

The Group is subject to tax in a number of jurisdictions and judgement is required in determining the worldwide provision for income taxes.

The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

c) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes but are not provided for in the consolidated financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the Group is involved it is not expected that such contingencies will have material effect on its financial position or profitability.

d) Useful lives of property, plant and equipment

As described at note B.8 above, the Group reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Impairment of trade receivables and contract assets

The Group has recognised trade receivables with a carrying value of ₹ 2,847.85 Crores (as at March 31, 2022: ₹ 2,982.75 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group’s past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting period. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the Group. The same policies are followed for contract assets.

f) Retirement benefit obligations

Details of the Group’s defined benefit pension schemes are set out in Note B.6.1, including tables showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

g) Arbitration claims

The forecast profit on contracts includes key judgements over the expected recovery of costs arising from the following: variations to the contract requested by the customer, compensation events, and claims made by the Group for delays or other additional costs for which the customer is liable. These claims could result in disputes that get settled through an arbitration process wherein the outcome of these awards including the timing and the amount (including interest thereon) requires a reasonable degree of estimation. The inclusion of these amounts requires estimation of their recoverability and could impact the level of profit or loss recognized by the Group.

h) Classification of assets / liabilities as Current and Non-current

The balance sheet presents current and non-current assets and current and non-current liabilities, as separate classifications. This classification involves managements estimate on expected realization of assets and settlement of liabilities within 12 months after the reporting period.

i) Classification of Joint Arrangement as a Jointly Controlled Operation /Joint Venture

A Jointly Controlled Operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

When an entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;

b) Its liabilities, including its share of any liabilities incurred jointly;

c) Its revenue from the sale of the output arising from the joint operation;

d) Its share of the revenue from the sale of the output by the joint operation and

e) Its expenses, including its share of any expenses incurred jointly.

Accordingly, the Group has evaluated all its joint arrangements on the basis of the contractual arrangements entered into between the partiesto the joint arrangements for execution of the project irrespective of the legal form.

Note 2(a): Details of subsidiaries at the end of the reporting period are as follows.

Name of subsidiary	Country of incorporation	Place of Activity	Principle Activity	Percentage holding-share
Hazarat and Company Private Limited.	India	India	Other	100%
Afcons Corrosion Protection Pvt. Ltd.	India	India	Cathodic Protection	100%
Afcons Hydrocarbons Engineering Private Limited	India	India	Other	100%
Afcons Oil & Gas Services Pvt.Ltd.	India	India	Infrastructure	74%
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL**	Kuwait	Kuwait	Infrastructure	49%
Afcons Construction Mideast LLC*	U.A.E	U.A.E	Infrastructure	100%
Afcons Gulf International Projects Services FZE #	U.A.E.	U.A.E.	Investment	100%
Afcons Mauritius Infrastructure Limited	Mauritius	India	Investment	100%
Afcons Overseas Singapore Pte Ltd.	Singapore	Guinea,Mauritinia, Ivory coast	Infrastructure	100%
Afcons Infra Projects Kazakhstan LLP %	Kazakhstan	Kazakhstan	Infrastructure	100%
Afcons Saudi Constructions LLC (in the process of winding-up)	Saudi Arabia	Saudi Arabia	Infrastructure	100%
Afcons Overseas Project Gabon SARL %	Gabon	Gabon	Infrastructure	100%

* Although, the parent Company has less than a majority of the voting rights of the investee, it has power over the investee as the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

** During the current year Parent Company has acquired balance 51% shares of Afcons Construction Mideast LLC.

Subsidiary of Afcons Mauritius Infrastructure Limited.

% Subsidiary of Afcons Overseas Singapore Pte Ltd.

Note 2(b): Details of joint operations at the end of the reporting period are as follows.

Name of joint operations	Country of incorporation	Place of Activity	Principle Activity	Percentage holding-share
Dahej Standby Jetty Project Undertaking	India	India	Infrastructure	100%
Afcons Gunanusa Joint Venture	India	India	Infrastructure	100%
Afcons Pauling Joint Venture	India	India	Infrastructure	100%
Afcons Sibmost Joint Venture	India	India	Infrastructure	100%
Afcons Vijeta PES Joint Venture	India	India	Infrastructure	100%
Afcons SMC Joint Venture	India	Tanzania	Infrastructure	100%
Afcons - Vijeta Joint Venture	India	India	Infrastructure	100%
Afcons JAL Joint Venture	India	India	Infrastructure	100%
Transtonnelstroy Afcons Joint Venture	India	India	Infrastructure	99%
Afcons KPTL Joint Venture	India	Bangladesh	Infrastructure	51%
Afcons Sener LNG Construction Projects Pvt.Ltd.	India	India	Infrastructure	49%
Ircon Afcons Joint Venture	India	Bangladesh	Infrastructure	47%
Strabag AG Afcons Joint Venture	India	India	Infrastructure	40%
Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd Joint Venture	India	Tanzania	Infrastructure	100%
Afcons - Vijeta J V	India	Zimbabwe	Infrastructure	100%
Afcons - Hindustan Joint Venture	India	India	Infrastructure	100%

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 3. Property, plant and equipments

A. Tangible assets

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	20.76	1.04	-	21.80	30.59
(c) Plant and equipment	2,867.77	411.19	(64.80)	3,214.16	1,288.26	297.92	(38.61)	1,547.57	1,666.59
(d) Furniture and fixtures	72.84	18.08	(8.11)	82.81	29.06	7.30	(4.28)	32.08	50.73
(e) Vehicles	54.05	3.89	(6.35)	51.59	28.71	4.89	(5.80)	27.80	23.79
(f) Office equipments	59.80	10.48	(3.13)	67.15	41.72	7.45	(2.65)	46.52	20.63
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	266.97	78.31	-	345.28	93.24	17.82	-	111.06	234.22
(i) Laboratory equipments	4.10	-	-	4.10	1.22	0.18	-	1.40	2.70
(j) Shuttering materials	409.85	95.92	-	505.77	301.13	71.58	-	372.71	133.06
(k) Accessories and attachments	144.89	40.35	-	185.24	81.64	21.63	-	103.27	81.97
Total	**4,139.92**	**658.22**	**(82.39)**	**4,715.75**	**1,888.53**	**429.81**	**(51.34)**	**2,267.00**	**2,448.75**

Previous year

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	19.72	1.04	-	20.76	31.63
(c) Plant and equipment	2,457.60	439.33	(29.16)	2,867.77	1,118.73	188.41	(18.88)	1,288.26	1,579.51
(d) Furniture and fixtures	63.15	12.11	(2.42)	72.84	24.05	6.21	(1.20)	29.06	43.78
(e) Vehicles	47.36	7.27	(0.58)	54.05	24.25	4.83	(0.37)	28.71	25.34
(f) Office equipments	52.50	9.34	(2.04)	59.80	37.16	6.48	(1.92)	41.72	18.08
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	268.02	7.87	(8.92)	266.97	85.67	16.37	(8.80)	93.24	173.73
(i) Laboratory equipments	4.07	0.03	-	4.10	1.04	0.18	-	1.22	2.88
(j) Shuttering materials	315.46	94.39	-	409.85	226.26	74.87	-	301.13	108.72
(k) Accessories and attachments	111.05	33.84	-	144.89	63.39	18.25	-	81.64	63.25
Total	**3,578.86**	**604.18**	**(43.12)**	**4,139.92**	**1,603.06**	**316.64**	**(31.17)**	**1,888.53**	**2,251.39**

Notes:

1) Freehold land with a carrying amount of ₹ 203.00 Crores (as at 31st March 2022 ₹ 203.00 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i) and 20.

Buildings carrying amount of ₹ 22.68 Crores (as at 31st March 2022 ₹ 22.68 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i) and 20.

Plant and machinery, vehicles, office equipments, floating equipments, laboratory equipments and accessories & attachments with a carrying amount of ₹ 1,969.95 Crores (as at 31st March 2022 ₹ 1,823.66 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No.14.1.(i) and 20.

B. Capital Work-in-Progress under development:

Capital Work-in-Progress under development - Ageing Schedule

(₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	183.60	-	-	-	**183.60**
Projects temporarily suspended	-	-	-	-	**-**

Previous Year	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	17.53	-	-	-	**17.53**
Projects temporarily suspended	-	-	-	-	**-**

The Company does not have any CWIP whose completion is overdue or by has exceeded Its cost compared to its original plan and hence CWIP completion schedule is not applicable .

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 3. Property, Plant and Equipments (Continued)

C. Goodwill

(₹ in Crores)

Cost or deemed cost	Balance as at 31st March, 2023	Balance as at 31st March, 2022
Balance at beginning of the year	0.14	0.14
Effect of foreign currency exchange differences	-	-
Balance at end of the year	**0.14**	**0.14**

D. Intangible assets

(₹ in Crores)

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Amortisation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Computer software - acquired	13.20	-	(0.01)	**13.19**	12.54	0.04	-	**12.58**	**0.61**
Total	**13.20**	**-**	**(0.01)**	**13.19**	**12.54**	**0.04**	**-**	**12.58**	**0.61**

Previous Year

(₹ in Crores)

Particulars	Gross block				Amortisation				Net Block
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Amortisation for the year	Disposals	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Computer software - acquired	12.97	0.23	-	13.20	12.51	0.03	-	12.54	0.66
Total	**12.97**	**0.23**	**-**	**13.20**	**12.51**	**0.03**	**-**	**12.54**	**0.66**

E. Right-of-use Asset

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2022	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Land	89.16	21.73	(5.33)	**105.56**	38.20	24.95	-	**63.15**	**42.41**
Buildings	75.08	21.03	(12.49)	**83.62**	60.48	16.78	0.05	**77.31**	**6.31**
Total	**164.24**	**42.76**	**(17.82)**	**189.18**	**98.68**	**41.73**	**0.05**	**140.46**	**48.72**

Previous Year

(₹ in Crores)

Particulars	Gross block				Depreciation				Net Block
	Balance as at 1st April, 2021	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2022	Balance as at 31st March, 2022
Land	31.36	57.80	-	**89.16**	15.97	22.23	-	**38.20**	**50.96**
Buildings	54.84	20.24	-	**75.08**	44.01	16.47	-	**60.48**	**14.60**
Total	**86.20**	**78.04**	**-**	**164.24**	**59.98**	**38.70**	**-**	**98.68**	**65.56**

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of Land or Building and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate);
- The Company also considers other factors including the costs and business disruption required to replace the leased asset;
- Most extension options in the leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No. 4. Non-current investments

Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022	
		Quantity	Amount	Quantity	Amount
			(₹ in Crores)		(₹ in Crores)
Investment in equity instruments at fair value through other comprehensive income					
Quoted Investments (fully paid)					
Investment in equity instruments :					
Hindustan Oil Exploration Co. Ltd.	₹ 10	40,072	0.48	40,072	0.88
Hindustan Construction Co. Ltd.	₹ 1	2,000	0.01	2,000	#
Simplex Infrastructures Ltd.	₹ 2	500	#	500	#
ITD Cementation India Ltd.	₹ 1	1,000	0.01	1,000	0.01
Gammon India Ltd.	₹ 2	250	#	250	#
Total aggregate quoted investments			**0.50**		**0.89**
Unquoted investments (fully paid)					
Investment in equity instruments :					
Simar Port Ltd.	₹ 10	1,000	#	1,000	#
Total aggregate unquoted investments			**#**		**#**
# Amount is below the rounding off norms adopted by the group.					
Total investments			**0.50**		**0.89**
Aggregate amount of quoted investments			0.30		0.30
Aggregate market value of quoted investments			0.50		0.89
Aggregate amount of unquoted investments			#		#

Category-wise other investments - as per Ind-AS 109 classification:	As at 31st March, 2023	As at 31st March, 2022
Financial assets carried at FVTOCI - equity instruments	0.50	0.89
Financial assets carried at amortised cost	-	-
	0.50	**0.89**

Note No 5. Trade receivables (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
From Customers:				
a) Unsecured, Considered good (including retention monies)	1,960.70	648.06	1,897.19	675.72
b) Having Significant increase in credit risk	-	84.60	-	81.74
c) Credit Impaired	-	-	-	-
	1,960.70	732.66	1,897.19	757.46
Less: Allowance for bad and doubtful receivables (expected credit loss allowance)	-	84.60	-	81.74
	1,960.70	648.06	1,897.19	675.72
From related parties	235.93	3.16	406.68	3.16
Total	**2,196.63**	**651.22**	**2,303.87**	**678.88**

Note No. 5.1.A. - Movement in allowance for bad and doubtful receivables (expected credit loss allowance) (₹ in Crores)

Particulars	Current	Non Current
Balance as at 31st March, 2021	-	**79.01**
Add: Created during the year	-	3.17
Less: Released during the year	-	0.44
Balance as at 31st March, 2022	**-**	**81.74**
Add: Created during the year	-	17.70
Less: Released during the year	-	14.84
Balance as at 31st March, 2023	**-**	**84.60**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No. 5.1.B. - Trade Receivables ageing schedule

(₹ in Crores)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables						
(i) Considered good (Current)	1,007.06	146.53	365.62	266.20	209.37	**1,994.78**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	1.15	2.11	1.60	27.18	60.61	**92.65**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**
Disputed Trade Receivables						
(i) Considered good (Current)	0.03	141.65	59.40	0.01	0.76	**201.85**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	-	105.41	-	453.16	**558.57**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	84.60	**84.60**

Previous Year

(₹ in Crores)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables						
(i) Considered good (Current)	1,176.56	316.72	256.09	312.88	177.09	**2,239.34**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	2.15	8.50	19.66	24.66	45.83	**100.80**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**
Disputed Trade Receivables						
(i) Considered good (Current)	0.03	22.90	40.83	0.01	0.76	**64.53**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	105.41	-	0.16	472.51	**578.08**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	81.74	**81.74**

Note No 6. Loans

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Loans to related parties (unsecured, considered good)				
To Fellow subsidiaries	39.44	-	34.34	-
To Joint operations (net of Group share)	13.91	-	20.73	-
Total	**53.35**	**-**	**55.07**	**-**

These financial assets are carried at amortised cost

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Particulars	Amount Outstanding	Percentage to the total loans and advances in the nature of loans
a) Amounts repayable on demand		
- Promoters	-	0.00%
- Directors	-	0.00%
- Key managerial personnel	-	0.00%
- Other related party	53.35	100.00%

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 7. Other financial assets (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
(a) Interest on trade receivables as per arbitration awards (Including from related parties (Current) ₹ 56.28 Crores) (Previous year ₹ 56.28 Crores)	76.25	196.06	57.45	182.93
(b) Deposits (Unsecured, considered good)				
(i) Security deposits	20.58	60.41	5.95	27.19
(ii) Other deposits	0.82	1.90	0.94	1.72
	21.40	62.31	6.89	28.91
(c) Advance to vendor recoverable in cash (Refer note 34.b)	271.79	-	-	-
(d) Other Loans and advances (doubtful)	-	0.16	-	0.16
Less: Provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
(e) Bank deposits having maturity of more than 12 months (given towards margin money / under lien)	-	28.27	-	17.85
(f) Others (includes Custom duty receivable, Encashment of Bank guarantee, etc.)	28.87	79.28	28.03	79.28
Total	**398.31**	**365.92**	**92.37**	**308.97**

Note No 8. Contract assets (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Contract assets				
Amounts due from customer under construction contracts				
Unsecured, considered good	3,272.51	1,469.62	2,471.53	1,539.19
Doubtful	-	-	-	-
	3,272.51	1,469.62	2,471.53	1,539.19
Less: Allowance for expected credit losses	-	53.13	-	47.90
Total	**3,272.51**	**1,416.49**	**2,471.53**	**1,491.29**

Note No. 8.1 - Movement in the expected credit loss allowance (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Opening balance for loss allowance	-	47.90	-	25.00
Add: Loss allowance assessed for the current year (net of reversal)	-	5.23	-	22.90
Less: Reversal of loss allowance on account of debts written-off	-	-	-	-
Closing balance for loss allowance	**-**	**53.13**	**-**	**47.90**

Note No 8.2 Other non-current & current assets (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
(a) Capital advances	-	21.79	-	21.60
(b) Pre-paid expenses	84.92	17.15	78.88	24.01
(c) Balances with government authorities				
(i) GST / VAT credit receivable	608.61	112.13	636.87	120.56
(ii) Service Tax credit receivable	-	30.47	-	30.47
(iii) Duty credit receivables	-	-	1.20	-
	608.61	142.60	638.07	151.03
(d) Others				
(i) Advance to vendors and others (Refer note 34.b)	304.31	-	423.53	-
(ii) Other receivables (Sale of scrap,etc.)	89.11	-	29.53	-
(iii) Advances to employees	3.97	-	3.56	-
	397.39	-	456.62	-
Total	**1,090.92**	**181.54**	**1,173.57**	**196.64**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 9. Inventories - at lower of cost or net realisable value (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Construction materials		
Steel	790.44	581.41
Cement	20.96	16.02
Aggregate	105.53	75.07
Other construction material	282.75	272.62
	1,199.68	945.12
Stores and spares	386.11	325.12
	386.11	325.12
Total	**1,585.79**	**1,270.24**

Note No 10. Cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks	316.87	444.00
Cash on hand	2.45	3.08
Total	**319.32**	**447.08**

Note No 10.1. Bank balance other than cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earmarked balance with banks		
- Unpaid dividend accounts	0.03	0.11
- Balances held as margin money or security against borrowings, guarantees and other commitments	46.01	62.02
- Other earmarked accounts / escrow accounts	1.68	3.81
Deposits having maturity of more than 3 months but less than 12 months	10.40	13.40
Total	**58.12**	**79.34**

Note No 11. Non current tax assets (Net) (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance income tax (net of provisions ₹ 210.61 Crores) (As at 31st March, 2022 ₹ 128.94 Crores)	28.80	68.73
Total	**28.80**	**68.73**

Note No 12.(A) . Equity share capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. Authorized:				
Equity share capital of ₹ 10 each	35,00,00,000	350.00	35,00,00,000	350.00
2. Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each. (Refer note 12.1 below)	7,19,70,238	71.97	7,19,70,238	71.97

12.1. Rights, preferences and restrictions attached to equity shares:

A member has a right to receive dividend as may be proposed by the board and approved at the annual general meeting. The Equity shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provision of the Act. Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

12.2. Details of equity shares held by each shareholder holding more than 5% of shares of the Company and Details of Shareholding of Promoters:

Class of shares / name of shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Promoters:				
Shapoorji Pallonji & Company Private Limited	4,91,05,652	68.23	4,91,05,652	68.23
Floreat Investments Limited	1,30,15,929	18.09	1,30,15,929	18.09
Non Promoters:				
Renaissance Commerce Private Limited	40,24,619	5.59	40,18,690	5.58
Hermes Commerce Limited	40,54,970	5.63	40,16,250	5.58

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

12.3. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Issued, subscribed and fully paid up	
	Numbers (₹ in Crores)	(₹ in Crores)
Equity shares outstanding as at 31st March, 2022	**7.20**	**71.97**
Changes in equity share capital during the period	-	-
Equity shares outstanding as at 31st March, 2023	**7.20**	**71.97**

Note No 12.(B). Instruments entirely equity in nature (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. Authorized:				
Preference shares of ₹ 10 each.	65,00,00,000	650.00	65,00,00,000	650.00
Total	**65,00,00,000**	**650.00**	**65,00,00,000**	**650.00**
2. Issued, subscribed and fully paid up:				
(a) 0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10 each. (Refer note 12.4 below)	10,00,00,000	100.00	10,00,00,000	100.00
(b) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.5 below)	25,00,00,000	250.00	25,00,00,000	250.00
(c) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each. (Refer note 12.6 below)	10,00,00,000	100.00	10,00,00,000	100.00

12.4. Rights, preferences and restrictions attached to 0.01% Non Cumulative and non profit participatory convertible preference shares:

(a) The preference shares shall be non- cumulative and non profit participating convertible Preference Shares carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares. The Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

(b) The terms of this Preference Shares have been varied with consent of the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018 whereby the preference shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25 per equity share (consisting of par of ₹ 10 and a premium of ₹ 58.25) immediately, automatically and without any further act of the parties in the event of conversion of the preference shares mentioned in note 12.5 (a) below.

(c) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

12.5. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares are automatically and mandatorily converted into equity shares on 13th January, 2024 ("mandatory conversion date") or any early date of conversion at the instruction of the Preference shareholder ("early conversion date"). The holder of the said preference shares has on 21st July 2022, requested the Company to vary the early conversion date to be effective from any time on or after 31st January 2023. The Company has obtained shareholder consent on 29th September 2022 for the variation of the early conversion date of the said preference share to be effective from any time on or after 31st January, 2023.

(b) On mandatory conversion date or the early conversion date, as the case maybe, the preference shares shall be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 17th July, 2020.

(c) The preference shares shall be entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares. The Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).

(e) The preference shares shall not confer any further right to participate in the profits or assets of the Company except as mentioned above.

(f) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to these preference shares.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

(g) The preference shares shall be transferable in accordance with the terms and conditions of the Articles and other provisions agreed between the Company and the preference shares holder.

(h) The equity shares of the Company issued upon conversion of the preference shares will rank pari passu with the other equity shares existing on the conversion date and shall be transferable in accordance with the terms and conditions of the Articles.

In furtherance to the above, the holders of the said preference shares have vide their letter dated 9th June 2023, requested the terms of the said preference shares to be varied to bring about clarity in the aforesaid terms of the preference share as under :

(1) the equity shares of the Company to be issued on conversion shall at all times constitute atleast 72% (seventy-two per cent) of the outstanding equity shares of the Company on a fully diluted basis.

(2) the Board of Directors of the Company has duly approved the issuance and terms of the CCPS, including the right of the holder of the CCPS to freely transfer the CCPS and the equity shares to be issued on conversion of the CCPS and the Board of Directors of the Company shall not raise any objections under Article 37 of the Articles to any such transfer.

The Company has recommended the members at the ensuing Annual General Meeting to consent to the variation in the terms of preference shares as proposed by the holders of the said preference shares.

12.6. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares shall be automatically and mandatorily converted into equity shares on 21st March, 2024 (“mandatory conversion date”) i.e. on the expiry of ten year from the issue date. The mandatory conversion date of the 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares has been revised from 21st March, 2019 (5th year from the date of issue) to 21st March, 2024 (10th year from the date of issue) in terms of the consent obtained from the Preference Shareholder and the special resolution passed with requisite majority of the members of the Company vide Postal Ballot effective from 30th November, 2018.

(b) On mandatory conversion date, the preference shares shall be converted into such number of equity shares of the Company at the price of ₹ 132 per equity shares (consisting of par of ₹ 10 and a premium of ₹ 122).

(c) The preference shares shall be entitled to fixed non-cumulative dividend at the fixed rate of 0.01% per annum which shall be paid in priority to the holder of any other class of shares. The Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it.

(e) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

12.7. Details of shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares held	% holding	Number of shares held	% holding
0.01% Non cumulative and non profit participatory convertible preference shares				
Floreat Investments Limited	10,00,00,000	100.00	10,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Goswami Infratech Private Limited	25,00,00,000	100.00	25,00,00,000	100.00
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares				
Shapoorji Pallonji & Company Private Limited	10,00,00,000	100.00	10,00,00,000	100.00

Note No 12.8. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares			Number of shares		
Shapoorji Pallonji & Company Private Limited, the holding company	4,91,05,652	-	10,00,00,000	4,91,05,652	-	10,00,00,000
Subsidiaries of the holding company:						
Floreat Investments Limited	1,30,15,929	10,00,00,000	-	1,30,15,929	10,00,00,000	-

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 12.9.

The word company used in the Balance Sheet and Statement of Profit & Loss including the accompanying notes to accounts is defined as "Afcons Infrastructure Limited" including all of its branches and Jointly Controlled Operations.

Note No. 12.10.

The Board of Directors at its meeting held on June 16, 2023 has recommended payment of dividend of ₹ 4 per equity share for the financial year 2022-2023 which is subject to the approval of the members at the ensuing Annual General Meeting of the Company.

Note No 13. Other equity

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital reserve	0.84	0.84
Capital redemption reserve	0.13	0.13
Securities premium account	10.28	10.28
Contingency reserve	8.00	8.00
General reserve	65.75	65.75
Foreign exchange translation reserve through other comprehensive income	91.38	25.22
Retained earnings	2,457.66	2,059.79
Reserve for equity instruments through other comprehensive income	19.68	20.08
Total	**2,653.72**	**2,190.09**

Movement in other equity:

(₹ in Crores)

	Particulars	As at 31st March, 2023	As at 31st March, 2022
(a)	Capital reserve		
	Opening balance	0.84	0.84
	Closing balance	0.84	0.84
(b)	Capital redemption reserve		
	Opening balance	0.13	0.13
	Closing balance	0.13	0.13
(c)	Securities premium account		
	Opening balance	10.28	10.28
	Closing balance	10.28	10.28
(d)	Contingencies reserve		
	Opening balance	8.00	8.00
	Closing balance	8.00	8.00
(e)	Debenture redemption reserve		
	Opening balance	-	43.75
	Add : Transferred from / (to) surplus in Statement of Profit and Loss	-	(43.75)
	Closing balance	-	-
(f)	General reserve		
	Opening balance	65.75	65.75
	Closing balance	65.75	65.75
(g)	Foreign currency translation reserve		
	Opening balance	25.22	24.57
	Add : Effect of foreign exchange rate variations during the year	66.16	0.65
	Closing balance	91.38	25.22
(h)	Retained earnings		
	Opening balance	2,059.79	1,695.13
	Add: Profit for the year	410.87	356.35
	Add: Other Adjustment (Minority interest of Afcons Construction Mideast LLC)	(10.85)	-
	Add: Other items classified to other comprehensive income	(2.10)	(10.20)
	Less: Appropriations		
	Interim dividend on equity shares (₹ Nil) (previous Year ₹ 3.50 per share)	-	25.19
	Dividend on preference shares (₹ 0.001 per share) (previous Year ₹ 0.001 per share)	0.05	0.05
	Transferred to / (from) Debenture redemption reserve	-	(43.75)
	Closing balance	2,457.66	2,059.79
(i)	Reserve for equity instruments through other comprehensive income		
	Opening balance	20.08	19.59
	Add: Net fair value gain/(loss) on investments in equity instruments measured at FVTOCI	(0.40)	0.49
	Closing balance	19.68	20.08
	Total	**2,653.72**	**2,190.09**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies.

Capital redemption Reserve

As per the provisions of Companies Act, capital redemption reserve is created out of the general reserve for the amount equivalent to the paid up capital of shares bought back by the Company.

Securities premium account

Where Company issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" as per the provisions of applicable Companies Act. This reserve is utilized as per the provisions of the Companies Act.

Contingency reserve

The contingency reserve was created to protect against loss for amounts due from a partnership firm.

Debenture redemption reserve

The Companies Act requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the company available for payment of dividend. The amounts credited to the debenture redemption reserve may not be utilized by the company except to redeem debentures.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the group's foreign operations from their functional currencies to the group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Retained earning and dividend on equity shares:

This represent the surplus / (deficit) of the profit or loss. The amount that can be distributed by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amount reported above are not distributable in entirety.

Reserve for equity instrument measured through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

Note No 14. Non current borrowings (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Measured at amortised cost		
(a) Equipment loan (Secured) (Refer note 14.1.(i))		
From banks		
Rupee loan	479.52	378.29
(b) Other loans		
Foreign Currency Loan (Secured) (Refer note 14.1.(ii))		
Buyers Credit from Banks	116.96	23.60
Total	**596.48**	**401.89**

14.1 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2023	As at 31st March, 2022
		Secured	**Secured**
14.1 (i) Equipment loan from banks			
Rupee loan:			
Axis Bank	Refer note 14.1(iii) below	-	40.00
HSBC Bank		18.75	31.25
State Bank of India		80.00	120.00
SBM Bank		16.67	27.78
Export Import Bank of India		259.18	159.26
Punjab National Bank		68.83	-
Bank of Baroda		36.09	-
Total - Equipment loan		**479.52**	**378.29**
(ii) Other Loans and Advances from banks - Buyer's Credit Foreign Currency Loans			
State Bank of India		116.96	-
Axis Bank	Refer note 14.1(iv) below	-	23.60
Total - Other loans and advances		**116.96**	**23.60**
Total long-term borrowings from banks		**596.48**	**401.89**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

14.1 (iii). Secured by first pari passu charge on plant & machinery. The rupee loan of Axis Bank Limited carry interest @ 9,45% per annum, State Bank of India carry interest @ 9.15% per annum, HSBC Limited carry interest @ 8.45% per annum, SBM Bank carry interest @ 9.20% per annum and Export Import Bank of India carry interest of Loan no 1 @ 10% per annum and Loan no 2 @ 9.25% per annum, Bank of Baroda carry interest in the range of @ 7.85% to 8.30% per annum, Punjab National Bank carry interest @ 8.90% per annum. The repayment schedule of the loans are as follows:

As at 31st March, 2023 (₹ in Crores)

Nature	Bank name	Loan amount	Repayment schedule
Rupee Loan	HSBC Bank	18.75	Semi annual installment of ₹ 6.25 Crores upto 2025-26
	State Bank of India	80.00	Semi annual installment of ₹ 20 Crores upto 2025-26
	SBM Bank	16.67	Semi annual installment of ₹ 5.56 Crores upto 2025-26
	Export Import Bank of India	259.18	Each monthly installment of ₹ 3.70 Crores upto 2026-27 for Loan 1 and ₹ 3.03 Crores for Loan 2 upto 2029-30
	Punjab National Bank	68.83	Each Quarterly Installment of ₹ 10 Crores upto 2027-28
	Bank of Baroda	36.09	57 equal monthly installments (EMI Basis)

14.1 (iv): Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest ranging of 2.25% to 3.04% per annum. The repayment schedule of the loans are as follows.

As at 31st March, 2023 (₹ in Crores)

Nature	Bank name	Loan amount	Repayment schedule
Buyers Credit	State Bank of India	116.96	Repayment in 2024-25

Note No 15. Trade payables (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to micro and small enterprises	375.93	51.95	303.81	29.05
(b) Total outstanding due to creditors other than micro and small enterprises	3,132.57	420.89	2,393.51	410.68
Total	**3,508.50**	**472.84**	**2,697.32**	**439.73**

Trade payables ageing schedule (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	171.70	196.35	27.36	7.90	23.90	**427.21**
(ii) Others	2,176.58	1,097.64	124.06	90.19	63.08	**3,551.55**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	0.67	**0.67**
(ii) Others	-	-	-	-	1.91	**1.91**

Previous Year (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	116.82	161.69	32.48	12.05	9.82	**332.86**
(ii) Others	1,255.01	1,262.26	116.30	73.54	89.58	**2,796.69**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	**-**
(ii) Others	-	0.51	0.45	0.66	5.88	**7.50**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Disclosures as required under the micro, small and medium enterprises development Act, 2006 (MSMED Act) (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount remaining unpaid	688.93	392.75
Interest due and unpaid interest	13.64	12.88
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	8.85	9.33
The amount of interest accrued and remaining unpaid at the end of accounting year;	8.05	8.90
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	30.54	31.11

Note No 16. Other financial liabilities (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
(a) Capital creditors				
(i) Total outstanding due to micro and small enterprises	5.43	-	22.22	-
(ii) Total outstanding due to creditors other than micro and small enterprises	95.29	-	172.98	-
(b) Employee benefit payables	102.07	-	96.27	-
(c) Unclaimed / unpaid dividends #	0.03	-	0.11	-
(d) Interest accrued on advance from customers	38.79	-	58.93	-
(e) Other payables				
(i) Trade / security deposits received	64.41	-	66.61	-
(ii) Amount received on invocation of bank guarantees	-	7.51	-	7.51
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others	56.35	149.36	77.67	180.57
Total- Other payables	120.76	156.88	144.28	188.09
Total	**362.37**	**156.88**	**494.79**	**188.09**

The figures reflect the position as at period end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due dates.

Note No 17. Contract liabilities (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Contract liabilities				
Amount due to customers	1,129.40	-	1,586.37	-
Advances from customers	1,885.88	1,524.03	1,127.47	1,766.30
Total	**3,015.28**	**1,524.03**	**2,713.84**	**1,766.30**

Note No 17.1 Other non-current and current liabilities (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Statutory remittances (VAT, GST, Service tax, Contributions to PF, Superannuation, ESIC, Withholding taxes, Labour welfare cess, etc.)	117.55	-	47.48	-
Other payables				
Advance against sale of scrap	2.54	-	0.22	-
Total	**120.09**	**-**	**47.70**	**-**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 18. Provisions (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Provision for employee benefits *:				
Provision for leave encashment	47.96	-	42.52	-
Provision for gratuity	10.00	8.87	12.00	7.01
	57.96	8.87	54.52	7.01
Provision - Others:				
Provision for doubtful advance	75.00	-	79.28	-
Provision for foreseeable losses for onerous contracts (Refer note 18.1 below)	17.06	-	14.02	-
Total	**150.02**	**8.87**	**147.82**	**7.01**

* The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and gratuity.

Note No. 18.1 - Movement in the Provision for foreseeable losses for onerous contracts (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
Opening Balance	14.02	-	33.02	-
Add: Additions made during the year	15.04	-	-	-
Less: Reversals made during the year	12.03	-	19.00	-
Add: Exchange differences	0.03	-	-	-
Closing Balance	**17.06**	**-**	**14.02**	**-**

Note No 19. Current tax liabilities (net) (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for tax (net of advance tax ₹ 169.37 Crores) (As at 31st March, 2022 ₹ 224.49 Crores)	93.56	15.39
Total	**93.56**	**15.39**

Note No 20. Current borrowings (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) **Current maturities of long-term debts** (Refer note 20.1 below)	192.64	147.16
(b) **Working capital loans from banks**		
Secured (Refer note 20.2 below)	717.60	845.92
(c) **Short term Loans from Bank**		
Foreign Currency Loan:		
Buyers Credit		
Secured (Refer Note 20.2 below)	43.95	64.72
(d) **Cash credit facility from banks**		
Secured (Refer note 20.2 below)	12.16	57.07
(e) **Acceptances**	-	38.44
Total	**966.35**	**1,153.31**

Note 20.1: Current maturities of long-term debts : (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equipment loans from banks (Rupee Loan) (Secured) #	191.23	144.35
Interest accrued but not due on borrowings	1.41	2.81
Total	**192.64**	**147.16**

For nature of security and interest rate refer note no.14.1

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 20.2: Details of security for the secured short-term borrowings:

(₹ in Crores)

Particulars	Terms of security	As at 31st March, 2023	As at 31st March, 2022
Working capital demand loans (WCDL)			
From banks:			
State Bank of India	Refer note 20.3 below	200.00	340.00
IDBI Bank		30.00	6.00
Indian Bank		30.00	30.00
Export Import Bank of India		300.00	200.00
ICICI Bank		-	45.00
Bank of Baroda		110.00	-
Union Bank of India		-	14.92
Bank of India		30.00	30.00
UCO Bank		-	30.00
Axis Bank		-	78.00
Punjab National Bank		17.00	72.00
Yes Bank		0.60	-
		717.60	845.92
Short term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Axis Bank and State Bank of India	Refer note 20.3 below	43.95	64.72
Cash credit facility and Book overdraft	Refer note 20.3 below	12.16	57.07

Note 20.3:

(i) Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / working capital demand loan is further secured by the Company's proportionate share of current assets in all the joint ventures both present and future.

(ii) Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 7.85% to 10.15% per annum (as on 31st March, 2022 interest ranging from 7.25% to 9.50% per annum). Buyers Credit carrying interest @ 2.02% to 6.85% per annum.

Note No 21. Current tax and deferred tax

(a) Income tax expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Current tax:		
in respect of the current year	189.43	127.67
in respect of prior years	28.58	-
Deferred tax:		
In respect of current year	(29.79)	(78.72)
Total income tax expense recognised in the consolidated statement of profit and loss account	**188.22**	**48.95**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate: (₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Amount	Tax Rate	Amount	Tax Rate
Profit before tax	**599.08**		**406.55**	
Income tax using the Company's domestic tax rate #	150.78	25.17%	102.32	25.17%
Effect of tax rates in foreign jurisdictions				
Non-taxable income	(1.23)	-0.21%	(32.85)	-8.08%
Loss in respect of which deferred tax assets not recognised due to uncertainty	12.96	2.16%	6.26	1.54%
Disallowable expenses	1.89	0.32%	1.83	0.45%
Effect of tax rates differences of entities operating in other jurisdictions having different tax rates	10.29	1.72%	10.47	2.58%
Charge/(credit) in respect of previous years	28.58	4.77%	3.10	0.76%
Charge/(credit) in respect of Deferred tax liability on undistributed earnings	(25.17)	-4.20%	25.17	6.19%
Effect of change in tax rates	-	0.00%	(59.39)	-14.61%
Others	10.12	1.69%	(7.96)	-1.96%
Income tax expenses recognised in Statement of Profit and Loss	**188.22**	**31.42%**	**48.95**	**12.04%**

Note:

The tax rate used for the financial years 2022-23 and 2021-22 reconciliations above is the corporate tax rate of 25.17% payable by the corporate entities in India on taxable profits under the Indian tax law.

(c) Movement of deferred tax (₹ in Crores)

Particulars	For the year ended 31st March, 2023				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	56.48	(24.71)	-	-	31.77
Unremitted earnings of subsidiaries	25.17	(25.17)	-	-	-
Arbitration awards	123.42	21.72	-	-	145.14
	205.07	(28.16)	-	-	176.91
Tax effect of items constituting deferred tax assets					
Employee benefits	(18.51)	2.39	(0.70)	-	(16.82)
Adjustment on adoption of Ind AS 116	(0.63)	0.45	-	-	(0.18)
Expected credit loss	(16.26)	(5.78)	-	-	(22.04)
Provisions	(39.89)	4.05	-	-	(35.84)
Others (Disallowances u/s 40a)	-	(2.74)	-	-	(2.74)
Minimum alternate tax credit	(0.03)	-	-	0.03	0.00
	(75.32)	(1.63)	(0.70)	0.03	(77.62)
Net tax liabilities	**129.75**	**(29.79)**	**(0.70)**	**0.03**	**99.29**

Particulars	For the Year ended 31st March, 2022				
	Opening balance	Recognised in profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	87.54	(31.06)	-	-	56.48
Unremitted earnings of subsidiaries	-	25.17	-	-	25.17
Arbitration awards	186.50	(63.08)	-	-	123.42
	274.04	(68.97)	-	-	205.07
Tax effect of items constituting deferred tax assets					
Employee benefits	(13.67)	(1.41)	(3.43)	-	(18.51)
Adjustment on adoption of Ind AS 116	(0.50)	(0.13)	-	-	(0.63)
Expected credit loss	(13.47)	(2.79)	-	-	(16.26)
Provisions	(34.47)	(5.42)	-	-	(39.89)
Minimum alternate tax credit	(0.03)		-	-	(0.03)
	(62.14)	(9.75)	(3.43)	-	(75.32)
Net tax liabilities	**211.90**	**(78.72)**	**(3.43)**	**-**	**129.75**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 22. Revenue from operations

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a)	Revenue from sale of goods (Construction Materials)	55.90	54.96
(b)	Construction contract revenue (Refer note 22.1 below)	12,483.42	10,888.50
(c)	Other operating income (Refer note 22.2 below)	98.06	75.50
	Total	**12,637.38**	**11,018.96**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
22.1	**Construction contract revenue comprises:**		
	Construction revenue	12,483.42	10,888.50
	Total	**12,483.42**	**10,888.50**
22.2	**Other operating income comprises:**		
	Sale of scrap	93.67	46.14
	Others	4.39	29.36
	Total	**98.06**	**75.50**

Note No 23. Other income

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	43.42	63.79
(b)	Other non operating income (Refer note 23.2 below)	163.29	186.79
	Total	**206.71**	**250.58**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
23.1	**Interest income comprises:**		
	Interest on arbitration awards	34.61	36.81
	Other Interest	8.81	26.98
	Total	**43.42**	**63.79**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors / advances no longer required written back	19.12	38.37
	Creditors / Excess provision written back	4.44	33.50
	Insurance claim received	17.45	29.64
	Provision for projected loss on contract written back	12.03	19.00
	Net gain on foreign currency transactions and translation	68.48	50.90
	Miscellaneous income	41.77	15.38
	Total	**163.29**	**186.79**

Note No 24. Cost of material consumed

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Cost of construction materials consumed (Including bought out Items)	3,851.71	3,176.31

Note No 24.1. Cost of construction

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Stores and spare consumed	700.52	580.09
Subcontracting expenses	2,069.34	2,490.14
Equipments hire / rent charges	649.03	547.21
Site installation	451.50	136.08
Technical consultancy	220.67	209.07
Power and fuel consumed	628.18	529.90
Freight and handling charges	481.41	447.14
Total	**5,200.65**	**4,939.63**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 25. Employee benefits expense (₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, wages and bonus	1,079.18	907.37
Contributions to provident and other funds:		
Contribution to provident fund	32.73	28.38
Gratuity Expense	8.83	5.77
Leave encashment Expense	12.41	18.89
Other Post employment benefits	35.21	27.45
Staff welfare expenses	129.87	97.12
Total	**1,298.23**	**1,084.98**

Note No 26. Finance costs (₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest On:		
Bank overdrafts and loans	186.62	151.31
Advance from clients	60.34	100.51
Lease liabilities	5.12	6.68
Others	51.06	48.17
	303.14	306.67
Other borrowing costs:		
Bank guarantee commission including bank charges	132.20	113.63
Others	11.32	4.43
Total	**446.66**	**424.73**

Note No 27. Depreciation and amortisation expenses (₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation on tangible assets	429.81	316.64
Amortisation on intangible assets	0.04	0.03
Depreciation on right-of-use assets	41.73	38.70
Depreciation and amortisation as per Statement of Profit and Loss	**471.58**	**355.37**

Note No 28. Other expenses (₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Water and electricity	18.42	11.31
Rent / Hire charges	58.26	42.37
Repairs and maintenance - Machinery	37.00	29.91
Repairs and maintenance - Others	38.33	19.11
Insurance charges	146.09	112.19
Rates and taxes	88.66	83.85
Communication	12.86	10.67
Travelling and conveyance	132.47	118.98
Security charges	82.62	63.49
Donations and contributions	6.43	0.40
Expenditure on corporate social responsibility (CSR) (Refer note 33)	0.07	0.71
Legal and professional	190.09	204.50
Payment to auditors (Refer note 28.1)	1.56	1.59
Advances written off	1.77	0.64
Bad / irrecoverable debtors / unbilled revenue written off	7.66	1.44
Provision for Doubtful Debtors / Advances	-	79.28
Expected credit loss on contract assets and trade receivables	22.93	26.07
Provision for foreseeable losses for onerous contracts	15.04	-
Loss on sale of fixed assets (net)	22.03	6.82
Miscellaneous expenses	93.89	68.64
Total	**976.18**	**881.97**

Note 28.1: Details of payment to auditors (₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Auditors remuneration comprises		
(a) To auditors		
For statutory audit	1.11	1.01
For tax audit	0.08	0.02
For other services (taxation matters, GST, certification work)	0.35	0.54
	1.54	**1.57**
(b) To cost auditors	0.02	0.02
	0.02	**0.02**
Total (a + b)	**1.56**	**1.59**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 29: Contingent liabilities and commitments (to the extent not provided for) (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Contingent liabilities		
(a) Claims against the Group not acknowledged as debts (excluding claims where amounts are not ascertainable)		
i) Differences with sub-contractors/vendors in regard to rates and quantity of materials.	386.85	377.59
ii) Royalty Claims*	483.64	483.64
(b) Labour guarantee issued on behalf of Subsidiary	0.03	0.04
(c) Claims against the joint operations not acknowledged as debts	160.97	156.21
(d) Sales tax and entry tax		
Represents demands raised by sales tax authorities in matters of a) disallowance of labour and service charges, consumables etc. b) Tax on AS7 turnover c) Entry tax and d) Interest and penalty etc. for which appeal is pending before various appellate authorities. The Group is confident that the cases will be successfully contested.	18.54	21.00
(e) VAT		
Represents partial disallowance by West Bengal VAT Authorities for the year 2016-17. In matters of disallowance of subcontractor charges, labour charges, PF contribution, architectural charges, cost of consumables, cost of establishment, etc. for which appeal is pending before higher appellate authority. The entity is confident that the case will be successfully contested.	0.46	0.46
(f) Service tax		
Represents demand confirmed by the CESTAT / Asst. commissioner of service tax for a) disallowance of cenvat credit, since abatement claimed by the Group, b) disallowance of general exemption of private transport terminals and c) taxability under "Commercial or Industrial Construction Service", etc. The Group has appealed / in the process of appeal against the said order with commissioner of service tax Mumbai,CESTAT / High court and is confident that the cases will be successfully contested. The Group has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	66.78	134.15
(g) GST		
Represents demand confirmed by GST Authorities for dispute in rate of tax for works contract. Afcons has charged 18% GST to Inland Waterways Authority on India(IWAI), however as per AAR ruling the rate has been decided at 12%. Afcons has issued credit notes to the effect of the differential 6%. The Group is confident that the cases will be successfully contested.	6.22	6.15
Note:- In respect of items mentioned under paragraphs (a), (c), (d), (e),(f) and (g) above, till the matters are finally decided, the financial effect cannot be ascertained and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities		
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	97.89	94.01
(iii) Income tax		
Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The Group has obtained stay order from tax department. The Group is confident that the case will be successfully contested before concerned appellate authorities.	62.55	26.24

Notes:

* The Group has received a demand and a show cause notice amounting to ₹ 239.00 Crores and ₹ 244.64 Crores respectively with respect to liability on account of royalty payable on Murrum used in one of the projects. Subsequent to the show cause notice, the Group has obtained a stay order on the same. Further, based on legal opinion, the Group expects that the claim is highly unlikely to materialise.

The Group has implemented the decision given in the Supreme Court Judgement in case of “Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees’ Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 w.e.f. April 01, 2019. Basis the assessment of the management, which is supported by legal advice, the aforesaid matter is not likely to have significant impact in respect of earlier periods.

There are suits against Afcons and Ghana Railway Development Authority. However these have not been disclosed in the Financial Statement because Afcons is not directly liable for the Claims.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 30. Employee benefit plans

The Group has recognised following amounts in the statement of profit and loss: (₹ in Crores)

Particulars	31st March, 2023	31st March, 2022
Superannuation Fund	25.41	19.63
Provident Fund	32.73	28.38
Gratuity	8.83	5.77
Leave encashment expenses	12.41	18.89
Total	**79.38**	**72.67**

a. **Defined contribution plan**

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the Life Insurance Corporation (LIC). Under the schemes, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The total expense recognised in profit or loss of ₹ 58.14 Crores (for the year ended 31st March, 2022: ₹ 48.01 Crores) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

b. **Defined benefit plans**

(i) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 4 years and 240 days are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service without any ceiling limit as given under Payment of Gratuity Act, 1972.

Whereas on death of an employee the amount of gratuity payable is amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Group or as per payment of the Gratuity Act, whichever is higher.

The gratuity plan of the Group is funded and the Group accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using Projected Unit Credit Method.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2023 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

c. **Details of defined benefit plan - Gratuity**

The principle assumptions used for the purpose of actuarial valuation (considered for the Group)

Particulars	31st March, 2023	31st March, 2022
Expected Return on Plan Assets	7.50%	7.23%
Rate of Discounting	7.50%	7.23%
Rate of Salary Increase	8.00%	8.00%

Rate of Employee Turnover	**31st March, 2023**	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
	31st March, 2022	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
Mortality Rate During Employment*	**31st March, 2023**	Indian Assured Lives Mortality 2012-14 (Urban)
	31st March, 2022	Indian Assured Lives Mortality 2012-14 (Urban)

*Based on India's standard mortality table with modification to reflect expected changes in mortality.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(₹ in Crores)

	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i)	**Components of defined benefit cost**		
	Service cost:		
	Current service cost	7.45	5.00
	Interest cost on benefit obligation (Net)	1.38	0.77
	Total defined benefit costs recognised in profit or loss	**8.83**	**5.77**
	Actuarial (Gains)/Losses on Obligation For the Period	3.27	14.24
	Return on Plan Assets, Excluding Interest Income	(0.47)	(0.61)
	Total defined benefit costs recognised in OCI	**2.80**	**13.63**
	Total defined benefit costs recognised in profit or loss and OCI	**11.63**	**19.40**
(ii)	**Net (liabilities) recognised in the Balance Sheet**		
	Present value of defined benefit obligation	(72.71)	(63.69)
	Fair value of plan asset	53.84	44.68
	Net liabilities recognised in the Balance Sheet	**(18.87)**	**(19.01)**
(iii)	**Movements in the present value of the defined benefit obligation are as follows.**		
	Opening defined benefit obligation	63.69	47.63
	Current service cost	7.45	5.00
	Interest cost	4.61	3.27
	Remeasurement (gains)/losses:		
	Actuarial (gains) / losses arising from changes in financial assumptions	(1.61)	8.12
	Actuarial losses arising from experience adjustments	4.88	6.12
	Benefits paid	(6.31)	(6.45)
	Closing defined benefit obligation	**72.71**	**63.69**
(iv)	**Movements in the fair value of plan assets are as follows.**		
	Opening fair value of plan assets	44.68	36.56
	Interest income	3.23	2.51
	Remeasurement gain / (loss):		
	Return on plan assets (excluding amounts included in net interest expense)	0.47	0.61
	Contributions from the employer	11.77	11.45
	Benefits paid	(6.31)	(6.45)
	Closing fair value of plan assets	**53.84**	**44.68**

The Group pays premium to the group gratuity scheme of LIC and the fund is managed by LIC

(v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1) If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by ₹ 5.43 Crores (increase by ₹ 6.30 Crores) (as at 31st March, 2022: decrease by ₹ 4.88 Crores (increase by ₹ 5.68 Crores)).

2) If the expected salary growth increases/(decreases) by 1%, the defined benefit obligation would increase by ₹ 6.21 Crores (decrease by ₹ 5.45 Crores) (as at 31st March, 2022: increase by ₹ 5.58 Crores (decrease by ₹ 4.89 Crores)).

3) If the employee turnover increases/(decreases) by one year, the defined benefit obligation would decrease by ₹ 0.41 Crores (increase by ₹ 0.45 Crores) (as at 31st March, 2022: decrease by ₹ 0.45 Crores (increase by ₹ 0.50 Crores)).

(vi) Sensitivity analysis method

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at March 31, 2023 is 12 years (as at 31st March, 2022: 12 years).

The Group expects to make a contribution of ₹ 10.00 Crores (as at 31st March, 2022: ₹ 12.00 Crores) to the defined benefit plans during the next financial year.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting

Particulars	(₹ in Crores)
1st Following Year	6.89
2nd Following Year	4.23
3rd Following Year	6.91
4th Following Year	6.51
5th Following Year	6.45
Sum of Years 6 To 10	31.33
Sum of Years 11 and above	98.48

d. Compensated Absences

The liability for Compensated absences (non-funded) as at year end is ₹ 47.96 Crores (as at 31st March, 2022 ₹ 42.52 Crores) covers the Group's liability for sick and privilege leave and is presented as current liabilities, since the Group does not have an unconditional right to defer the settlement of any of these obligations.

The Group makes provision for compensated absences based on an actuarial valuation carried out at the end of the year using the Projected Unit Credit Method

Note No 31. Earnings per share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	₹	₹
Basic earnings per share	12.06	10.49
Diluted earnings per share	12.06	10.49

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit for the year attributable to shareholders of the Group - earnings used in calculation of basic earning per share	410.86	357.60
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	410.81	357.55
Profits used in the calculation of basic earnings per share	**410.81**	**357.55**

The weighted average number of equity shares for the purpose of basic earnings per share is as follows:

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	7,19,70,238	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
- Convertible preference shares	26,87,68,030	26,87,68,030
Weighted average number of shares used in calculation of basic earnings per share	**34,07,38,268**	**34,07,38,268**

Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit for the year attributable to shareholders of the Group - earnings used in calculation of basic earning per share	410.86	357.60
Earnings used in the calculation of diluted earnings per share	410.86	357.60
Profits used in the calculation of diluted earnings per share	**410.86**	**357.60**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	34,07,38,268	34,07,38,268
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,268**	**34,07,38,268**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 32: Segment information :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Segment Profit before tax (before exceptional items)		
India	615.52	272.45
Other Countries	170.18	285.41
	785.70	557.86
Add: Unallocated income	-	-
Less: Unallocated expenses	186.62	151.31
Profit before tax	**599.08**	**406.55**

(₹ in Crores)

Revenue from external customers	As at 31st March, 2023	As at 31st March, 2022
India	8,603.73	7,463.26
Other Countries	4,033.65	3,555.70
Total	**12,637.38**	**11,018.96**

(₹ in Crores)

Segment Assets	As at 31st March, 2023	As at 31st March, 2022
India	12,288.79	11,650.68
Other Countries	4,367.68	3,617.66
	16,656.47	**15,268.34**
Intersegment eliminations	(2,384.53)	(2,364.21)
Unallocated		
Investments	0.50	0.89
Non-current tax assets	28.80	68.73
Total assets as per balance sheet	**14,301.24**	**12,973.75**

(₹ in Crores)

Non-current assets	As at 31st March, 2023	As at 31st March, 2022
India	2,504.44	2,675.04
Other Countries	110.72	0.74
Total non-current assets	**2,615.16**	**2,675.78**

(₹ in Crores)

Segment Liabilities	As at 31st March, 2023	As at 31st March, 2022
India	7,148.44	6,463.85
Other Countries	3,177.94	3,049.50
	10,326.38	**9,513.35**
Intersegment eliminations	(958.08)	(942.72)
Unallocated		
Current Borrowings	966.36	1,153.31
Non-Current Borrowings	596.48	401.89
Deferred Tax Liability	99.29	129.75
Current Tax Liability	93.56	15.39
Total liabilities as per balance sheet	**11,123.99**	**10,270.97**

(₹ in Crores)

Non-current liabilities	As at 31st March, 2023	As at 31st March, 2022
India	1,361.91	1,461.62
Other Countries	816.39	1,052.99
Total non-current liabilities	**2,178.30**	**2,514.61**

Information about major customers:

During the current year ended March 31, 2023, revenue of ₹ 1,309.53 crore arising from a customer in India (viz National Capital Region Transport Corporation) contributes to more than 10% of the Group's revenue.

Note No 33. Corporate social responsibility:

(₹ in Crores)

Gross amount required to be spent by the Group during the year: (Previous year ₹ Nil)	Nil

Amount spent during the year on:

CSR activities (in cash)	Paid	To be paid	Total
(i) Construction/acquisition of an asset	-	-	**-**
(ii) Purposes other than (i) above	0.07	-	**0.07**
Total	**0.07**	**-**	**0.07**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 34: Related party disclosures

(a) Details of related parties:

Related Party where Control exists

Holding Company

Shapoorji Pallonji & Company Private Limited

Subsidiaries of the Company

Hazarat & Company Private Limited
Afcons Corrosion Protection Private Limited
Afcons Hydrocarbons Engineering Pvt Ltd
Afcons Construction Mideast LLC
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL
Afcons Gulf International Project Services FZE
Afcons Mauritius Infrastructure Ltd
Afcons Overseas Singapore Pte Ltd.
Afcons Infra Projects Kazakhstan LLP
Afcons Saudi Constructions LLC
Afcons Overseas Project Gabon SARL
Afcons Oil & Gas Services Pvt Ltd

Fellow Subsidiary(s)

Floreat Investments Private Limited
ESP Port Solutions Pvt Ltd.
Sterling & Wilson Private Limited
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd
Simar Port Private Ltd
SP Oil and Gas Malaysia SDN BHD
Forbes Facility Services Pvt Ltd (Upto 30th June, 2022)
Forvol International Services Ltd
Shapoorji Pallonji Solar Holdings Pvt.Ltd.
Shapoorji Pallonji Qatar WLL

Joint Operations

Transtonnelstroy Afcons Joint Venture
Dahej Standby Jetty Project undertaking
Afcons Gunanusa Joint Venture
Afcons Pauling Joint Venture
Strabag AG Afcons Joint Venture
Ircon Afcons Joint Venture
Afcons Sener LNG Construction Projects Pvt.Ltd.
Afcons Sibmost Joint Venture
Afcons Vijeta PES Joint Venture
Afcons SMC Joint Venture
Afcons Vijeta Joint Venture
Afcons JAL Joint venture
Afcons KPTL Joint Venture
Afcons - SPCPL Joint Venture
Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Ltd. JV
Afcons Vijeta J V, Zimbabwe
Afcons Hindustan Joint Venture (w.e.f.14th June, 2022)

Companies forming part of the composite scheme of arrangement (Refer Note 34 (c.))

Eureka Forbes Ltd.

Entity controlled / Jointly controlled by members of the governing board

Vigil Juris

Key Management Personnel

Mr. S. P. Mistry – Chairman
Mr. K. Subramanian – Executive Vice Chairman
Mr. S. Paramasivan – Managing Director
Mr. Giridhar Rajagopalan - Deputy Managing Director
Mr. Akhil Kumar Gupta - Executive Director (Upto 30th June, 2022)
Mr, N.D.Khurody - Independent Director (Upto 26th September, 2022)
Mr. R.M.Premkumar - Independent Director (Upto 26th September, 2022)
Mr. P.N.Kapadia - Independent Director
Mr. David P.Rasquinha - Independent Director (w.e.f. 7th July, 2022)

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No. 34: Related party disclosures (Continued) (₹ in Crores)

b). Details of transactions with related party for the period 01.04.2022 to 31.03.2023

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the governing board		Total	
	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22
Managerial Remuneration paid												
a) Short Term Employee Benefit												
S.Paramasivan							4.27	3.86			**4.27**	**3.86**
K.Subramanian							4.74	4.35			**4.74**	**4.35**
Giridhar Rajagopalan							2.55	2.31			**2.55**	**2.31**
Akhil Kumar Gupta							1.19	2.22			**1.19**	**2.22**
b) Post Employment Benefits												
S.Paramasivan							0.75	0.66			**0.75**	**0.66**
K.Subramanian							0.81	0.76			**0.81**	**0.76**
Giridhar Rajagopalan							0.24	0.20			**0.24**	**0.20**
Akhil Kumar Gupta							-	0.13			**-**	**0.13**
c) Other Long Term Benefits												
S.Paramasivan							0.37	0.37			**0.37**	**0.37**
K.Subramanian							0.45	0.47			**0.45**	**0.47**
Giridhar Rajagopalan							0.18	0.18			**0.18**	**0.18**
Akhil Kumar Gupta							-	0.14			**-**	**0.14**
Sitting Fees paid												
S.P.Mistry							0.04	0.06			**0.04**	**0.06**
N.D.Khurody							0.14	0.17			**0.14**	**0.17**
R.M.Premkumar							0.13	0.12			**0.13**	**0.12**
P.N.Kapadia							0.26	0.21			**0.26**	**0.21**
David P.Rasquinha							0.15	-			**0.15**	**-**
Dividend on Preference Shares												
Floreat Investments Private Limited			0.01	0.01							**0.01**	**0.01**
Shapoorji Pallonji & Co. Pvt. Ltd.	0.01	0.01									**0.01**	**0.01**
Interim Dividend on Equity Shares												
Shapoorji Pallonji & Co. Pvt. Ltd.	-	17.19									**-**	**17.19**
Floreat Investments Private Limited			-	4.56							**-**	**4.56**
K.Subramanian							-	0.02			**-**	**0.02**
S.Paramasivan							-	0.01			**-**	**0.01**
Giridhar Rajagopalan							-	0.00			**-**	**0.00**
Purchase of equity share												
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd.			-	43.00							**-**	**43.00**
Sale of equity share												
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd.			-	43.00							**-**	**43.00**
Interest Income												
Afcons Sener LNG Construction Projects Pvt. Ltd.					0.38	0.33					**0.38**	**0.33**
S P Engineering Service Pte Ltd			2.24	0.69							**2.24**	**0.69**
Income from Services charges												**-**
Strabag-AG Afcons Joint Venture					0.34	3.79					**0.34**	**3.79**
Other Income												
Transtonnelstroy-Afcons Joint Venture					0.02	0.02					**0.02**	**0.02**
Strabag-AG Afcons Joint Venture					0.86	-					**0.86**	**-**
Shapoorji Pallonji & Co. Pvt. Ltd.	-	0.16									**-**	**0.16**
Simar Port Private Ltd			-	1.70							**-**	**1.70**
ESP Port Solutions Pvt Ltd.			0.24	1.64							**0.24**	**1.64**
Sterling & Wilson Private Limited			0.06	0.01							**0.06**	**0.01**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No. 34: Related party disclosures (Continued)

(₹ in Crores)

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the governing board		Total	
	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22
Subcontract Income												
Transtonnelstroy-Afcons Joint Venture					0.04	0.07					**0.04**	**0.07**
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			365.01	343.32							**365.01**	**343.32**
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd			38.39	79.74							**38.39**	**79.74**
ESP Port Solutions Pvt Ltd.			-	5.19							**-**	**5.19**
Income from Equipment Hire												
ESP Port Solutions Pvt Ltd.			0.60	6.38							**0.60**	**6.38**
Simar Port Private Ltd			0.13	-							**0.13**	**-**
Distribution of Profit / (Loss) from Joint Ventures												
Strabag-AG Afcons Joint Venture					20.22	17.40					**20.22**	**17.40**
Sale of Spares/Materials/Assets												
Transtonnelstroy-Afcons Joint Venture					0.02	0.00					**0.02**	**0.00**
Advance Given												
Transtonnelstroy-Afcons Joint Venture					0.68	1.24					**0.68**	**1.24**
Afcons Sener LNG Construction Projects Pvt. Ltd.					0.61	0.80					**0.61**	**0.80**
Afcons - KPTL Joint Venture					10.32	15.68					**10.32**	**15.68**
S P Engineering Service Pte Ltd			2.24	0.69							**2.24**	**0.69**
Advance Received back												
Transtonnelstroy-Afcons Joint Venture					(1.66)	(1.22)					**(1.66)**	**(1.22)**
Afcons Sener LNG Construction Projects Pvt. Ltd.					(0.23)	(0.48)					**(0.23)**	**(0.48)**
Afcons - KPTL Joint Venture					(15.99)	(13.00)					**(15.99)**	**(13.00)**
Service Charges paid												
Simar Port Private Ltd			0.08	0.10							**0.08**	**0.10**
SP Oil and Gas Malaysia SDN BHD			0.14	-							**0.14**	**-**
Housekeeping services paid												
Forbes Facility Services Pvt Ltd			0.30	5.13							**0.30**	**5.13**
Legal & Professional Fees												
Shapoorji Pallonji & Co. Pvt. Ltd. (Strategic Support Services)	39.83	32.29									**39.83**	**32.29**
Shapoorji Pallonji & Co. Pvt. Ltd. (Consultancy Services)	0.40	1.13									**0.40**	**1.13**
Vigil Juris									0.05	0.02	**0.05**	**0.02**
Travelling Expenses												
Forvol International Services Ltd			17.12	5.15							**17.12**	**5.15**
Purchase of Spares/Materials/Assets												
Transtonnelstroy-Afcons Joint Venture			-	-	0.08	0.04					**0.08**	**0.04**
Afcons - KPTL Joint Venture					0.01	0.12					**0.01**	**0.12**
Sundry Debtors write off												
Shapoorji Pallonji & Co. Pvt. Ltd.	5.47	-									**5.47**	**-**
Outstanding Amount Loans & Advances Dr/ (Cr)												
Shapoorji Pallonji & Co. Pvt. Ltd.	271.79	271.79									**271.79**	**271.79**
Transtonnelstroy-Afcons Joint Venture					4.91	5.88					**4.91**	**5.88**
Afcons Sener LNG Construction Projects Pvt. Ltd.					3.17	2.80					**3.17**	**2.80**
Afcons - KPTL Joint Venture					5.84	12.01					**5.84**	**12.01**
S P Engineering Service Pte Ltd			39.44	34.31							**39.44**	**34.31**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No. 34: Related party disclosures (Continued) (₹ in Crores)

Nature of Transaction	Holding Company(s)		Fellow subsidiary(s)		Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the governing board		Total	
	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22	Apr-Mar 23	PY 21-22
Outstanding Amount - Debtors												
Transtonnelstroy-Afcons Joint Venture					3.98	3.98					**3.98**	**3.98**
Shapoorji Pallonji & Co. Pvt. Ltd.	0.26	26.16									**0.26**	**26.16**
Strabag-AG Afcons Joint Venture					1.53	0.27					**1.53**	**0.27**
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd			43.03	71.10							**43.03**	**71.10**
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			154.05	308.19							**154.05**	**308.19**
Simar Port Private Ltd			0.00	-							**0.00**	**-**
ESP Port Solutions Pvt Ltd.			10.09	11.38							**10.09**	**11.38**
Sterling & Wilson Private Limited			0.05	0.01							**0.05**	**0.01**
Forbes Facility Services Pvt Ltd			0.03	0.03							**0.03**	**0.03**
Shapoorji Pallonji Solar Holdings Pvt.Ltd.			92.77	97.10							**92.77**	**97.10**
Outstanding Amount - Creditors												
Forvol International Services Ltd			0.41	0.41							**0.41**	**0.41**
Forbes Facility Services Pvt Ltd			0.27	0.50							**0.27**	**0.50**
Shapoorji Pallonji Infrastructure Capital Co Pvt Ltd			63.45	69.12							**63.45**	**69.12**
Shapoorji Pallonji Pandoh Takoli Highway Pvt. Ltd			13.53	21.14							**13.53**	**21.14**
Shapoorji Pallonji Qatar WLL			(36.42)	52.11							**(36.42)**	**52.11**
Simar Port Private Ltd			0.03	0.04							**0.03**	**0.04**
SP Oil and Gas Malaysia SDN BHD			0.06	-							**0.06**	**-**
Shapoorji Pallonji & Co. Pvt. Ltd.	72.99	28.79									**72.99**	**28.79**
Vigil Juris									0.00	0.00	0.00	0.00
Transtonnelstroy-Afcons Joint Venture					0.15	0.04					**0.15**	**0.04**
Strabag-AG Afcons Joint Venture					1.03	0.11					**1.03**	**0.11**

The Company had during the previous year made an investment of ₹ 43.00 Crores by way of right issue of equity share of Shapoorji Pallonji Pandoh Takoli Highway Private Limited in May 2021. Also, the company had divested/sold investments of ₹ 43.00 Crores to Shapoorji Pallonji Pandoh Takoli Highway Private Limited in March 2022.

As the liabilities for defined plans and leave entitlements are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

(c). Companies forming part of the composite scheme of arrangement

Pursuant to the Composite Scheme of Arrangement ("Scheme") approved by the National Company Law Tribunal, Mumbai (NCLT) vide order dated 25th January, 2022, two downstream subsidiaries of Eureka Forbes Limited (EFL) (a fellow subsidiary) got merged with EFL, followed by EFL (including certain downstream subsidiaries as defined in the Scheme) getting merged into Forbes & Company Limited (FCL) (another fellow subsidiary) and consequently upon the scheme becoming effective got demerged and vested into Forbes Enviro Solutions Limited ("FESL") (another fellow subsidiary), on a going concern basis.

The Scheme was made effective by filing the requisite form with the Registrar of Companies, on 1st February, 2022.

During the period ended January 31, 2022, the Company has entered transactions for Purchase of Spares/Materials/Assets with EFL aggregating ₹ 0.20 (as at March 31, 2021 ₹ 0.49) and outstanding trade payables as at March 31, 2022 aggregates ₹ 0.01 (as at March 31, 2021 ₹ 0.05).

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 35: Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the Companies Act, 2013

(₹ in Crores)

Name of the entity	% Holding	Net Assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Crores)	As % of Consolidated Total Comprehensive Income	Amount (₹ in Crores)
Parent : Afcons Infrastructure Ltd.		86.57%	2,750.51	112.45%	462.03	-3.93%	(2.50)	96.84%	459.53
Subsidiaries :									
Indian:									
1) Hazarat & Company Pvt.Ltd.	100%	0.00%	0.03	0.00%	-	0.00%	-	0.00%	-
2) Afcons Corrosion Protection Pvt. Ltd.	100%	0.06%	1.91	0.02%	0.08	0.00%	-	0.02%	0.08
3) Afcons Hydrocarbons Engineering Private Limited	100%	0.04%	1.41	0.01%	0.04	0.00%	-	0.01%	0.04
4) Afcons Oil & Gas Service Pvt.Ltd.	74%	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Foreign:									
1) Afcons Construction Mideast LLC	100%	-2.78%	(88.33)	-3.61%	(14.84)	-10.38%	(6.61)	-4.52%	(21.45)
2) Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	49%	0.54%	17.25	0.07%	0.31	1.99%	1.27	0.33%	1.58
3) Afcons Gulf International Project Services FZE	100%	0.15%	4.74	0.02%	0.08	0.00%	-	0.02%	0.08
4) Afcons Mauritius Infrastructure Ltd.	100%	0.38%	12.17	0.13%	0.52	0.00%	-	0.11%	0.52
5) Afcons Overseas Singapore Pte Ltd.	100%	16.73%	531.67	-3.35%	(13.77)	72.46%	46.13	6.82%	32.36
6) Afcons Infra Projects Kazakhstan LLP	100%	-0.03%	(0.98)	-0.06%	(0.25)	0.03%	0.02	-0.05%	(0.23)
7) Afcons Saudi Construction LLC.	100%	0.01%	0.21	0.00%	0.01	0.00%	-	0.00%	0.01
8) Afcons Overseas Project Gabon SARL	100%	1.27%	40.21	0.94%	3.86	3.79%	2.41	1.32%	6.27
Minority interests in all subsidiaries		0.05%	1.56	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Jointly Controlled Operations									
Indian									
1) Afcons Gunanusa Joint Venture	100%	-1.23%	(39.09)	0.06%	0.24	0.00%	-	0.05%	0.24
2) Transtonnelstroy Afcons Joint Venture	99%	-2.53%	(80.26)	2.96%	12.16	0.00%	-	2.56%	12.16
3) Dahej Standby Jetty Project Undertaking	100%	0.03%	0.83	-0.02%	(0.09)	0.00%	-	-0.02%	(0.09)
4) Afcons Pauling Joint Venture	100%	0.05%	1.74	0.00%	-	0.00%	-	0.00%	-
5) Strabag AG Afcons Joint Venture	40%	0.36%	11.29	1.36%	5.60	0.00%	-	1.18%	5.60
6) Afcons Sener LNG Construction Projects Pvt.Ltd.	49%	-0.31%	(9.77)	-0.44%	(1.82)	0.00%	-	-0.38%	(1.82)
7) Ircon Afcons Joint Venture	47%	0.01%	0.24	-0.04%	(0.15)	-0.09%	(0.06)	-0.04%	(0.21)
8) Afcons Sibmost Joint Venture	100%	0.48%	15.40	12.80%	52.60	0.00%	-	11.08%	52.60
9) Afcons Vijeta PES Joint Venture	100%	-0.01%	(0.29)	-0.08%	(0.34)	0.00%	-	-0.07%	(0.34)
10) Afcons SMC Joint Venture	100%	0.15%	4.63	0.56%	2.30	-2.54%	(1.62)	0.14%	0.68
11) Afcons Vijeta Joint Venture	100%	0.23%	7.42	0.35%	1.43	0.00%	-	0.30%	1.43
12) Afcons JAL Joint Venture	100%	0.01%	0.40	-0.55%	(2.24)	0.00%	-	-0.47%	(2.24)
13) Afcons KPTL Joint Venture	100%	0.48%	15.16	2.90%	11.91	-1.49%	(0.95)	2.31%	10.96
14) Afcons Infrastructure Limited & Vijeta Projects and Infrastructures Ltd. Joint Venture	100%	-0.57%	(18.01)	-2.39%	(9.80)	-3.09%	(1.97)	-2.48%	(11.77)
15) Afcons - Vijeta J V (Zimbabwe)	100%	0.32%	10.17	-1.99%	(8.18)	43.26%	27.54	4.08%	19.36
16) Afcons - Hindustan Joint Venture	100%	0.01%	0.24	0.06%	0.24	0.00%	-	0.05%	0.24
Adjustment of deferred tax on undistributed earnings of subsidiary		0.00%	-	6.13%	25.17	0.00%	-	5.31%	25.17
Inter-company eliminations and consolidation adjustments		-0.48%	(15.20)	-28.29%	(116.22)	0.00%	-	-24.49%	(116.22)
Total		**100.00%**	**3,177.25**	**100.00%**	**410.86**	**100.00%**	**63.66**	**100.00%**	**474.52**

Refer note 2 (a and b) for principal activity

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

36. Afcons Gunanusa Joint Venture (AGJV)

AGJV had submitted claims to ONGC, arising on account of cost overruns due to change orders, in terms of the provisions of the contract. The Joint venture has invoked arbitration in respect of the aforesaid change orders. Claims against change orders and counter claims by ONGC aggregating to approx ₹ 400 Crores is currently being discussed in arbitration.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims, carried out by Joint Venture's management, after considering the current status of proceedings in arbitration, which is supported by external legal opinion, management of joint venture is of the view that the "amount due from customer under construction contract" of ₹ 124.05 Crores as on 31st March 2023 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management.

37. Transtonnelstroy Afcons Joint Venture (TAJV)

The Transtonnelstroy Afcons Joint Venture ("the JV") had submitted variations to the client for two projects (package UAA-01 and package UAA-05) arising on account of cost overruns, due to unforeseen geological conditions, delays in handing over of land and change in scope of work etc., in terms of the provisions of the contract with the Chennai Metro Rail Limited ("the client"), which the Management believes is attributable to the client.

During Financial Year 2021-22, Arbitration Panel issued a unanimous award in favour of Joint Venture granting extension of time in terms of number of days (the "claim no. 1 and 2"). The Arbitral Awards on Extension of Time matters (Claim No. 1 and 2) of Contract UAA-01 and UAA-05 were challenged by CMRL before the Ld. Single Judge of Madras High Court and succeeded. The order of the Ld. Single Judge was then challenged by TTA JV before the Hon'ble Division Bench and the same was dismissed vide order dated 01st February 2023. The said order of the Hon'ble Division Bench was challenged before the Hon'ble Supreme Court by TTA JV. The SLPs were filed on 14th and 15th May 2023 and the matter was likely to be listed after the Supreme Court holiday (summer vacation).

Based on the assessment made, both the orders were not challenged by CMRL on the Merits of the Arbitral Award but on the alleged procedural lapses on part of the Tribunal (i.e., no opportunity provided to CMRL on account of two particular documents sought by the Tribunal from TTA JV). Further, the Ld. Single Judge in its Order has also granted liberty to the Parties to go back to the existing Tribunal to get opportunity on the two documents. Also, the Hon'ble Division bench after hearing prima facie case has sought consent of parties on remanding the matter to the same Tribunal. However, since CMRL did not agree for consenting to the same and also the Hon'ble bench does not have special power to direct the parties to go before the same Tribunal, the Hon'ble bench proceeded to hear the matter and pronounced the order (albeit on perception rather than on facts).

Arbitration proceedings related to claims for cost of extension of time granted in claim no. 1 and 2 and related cost i.e. Claim No. 3 and 3A along with EOT claimed beyond Arbitration Award and associated cost, forming part of Claim No 8 have been kept on hold and shall be initiated based on outcome of the SLP filed with Hon'ble Supreme Court. Disputes related to release of withheld amount, release of retained amount, refund of amount encashed against Bank Guarantees and issuance of final taking over certificate (the "claim no. 8") are currently being heard in arbitration award.

In the earlier years, Joint Venture had received favourable arbitration awards in few of the other matters. The Client has challenged these arbitration awards before the Hon'ble High Court, Madras. Pending disposal of these matters in the court, client has, upon submission of the bank guarantee by the Joint Venture, deposited part of the award amount with the Joint Venture, pursuant to an interim stay order from Hon'ble High Court, Madras. The hearing for this is currently in process. The arbitration award amounting to ₹ 120.81 Crores and interest on arbitration award of ₹ 30.63 Crores has been recognized as "Non-current Trade Receivables" and "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", respectively, and the amount of ₹ 79.28 Crores received against such award has been recognized as "Other Non-current Liabilities -Contract Liabilities- Advances from customers.

Further, there are counter claims submitted by CMRL amounting ₹ 1945.81 Crores. The counterclaims lodged by CMRL arose due to the alleged defective works in the tunneling i.e. excessive steps and lips in the Tunnel Rings. The Counter claims are mainly towards the contingencies that CMRL may have to incur in future in the form of Rectification works, Loss of revenue and additional maintenance costs during the intended design life due to the said alleged defects in the tunnelling works. In addition, the Counterclaim was not substantiated by any supporting documents either on effect or on Cost. TTA JV has submitted an expert report to the Arbitral Tribunal wherein it states that the excessive stepping and lipping has no impact on either structural stability or on waterproofing systems. The counterclaims of the CMRL are made as an afterthought, which is evident from the fact that the same was filed by CMRL only in 2022, after issuance of substantial taking over certificate for UAA 01 in December 2019 and UAA 05 in June 2018, and both the packages became commercially operative in 2017 (UAA 05) and in 2019 (UAA 01).

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims , carried out by Joint Venture's management, after considering the current status of negotiation/amicable settlement with the client/ proceedings in arbitration and High Court, which is supported by external legal opinion, management of Joint Venture is of the view that the "amount due from customer under construction contracts" recorded in the books of accounts is based on cost actually incurred and so claimed but not duly compensated. Management of joint venture is confident of getting favourable order/ award and is of the opinion that amount of ₹ 659.87 Crores recognized towards such variations/ claims in 'Amounts due from customers under construction contracts' as non-current assets, an amount of ₹ 120.81 Crores towards the arbitration award recognized as 'Non-current Trade Receivables' and an amount of ₹ 30.63 Crores interest on arbitration award as "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", is appropriate and the same is considered as good and fully recoverable. Joint Venture management does not anticipate any loss to be recognized or contingent liability to be disclosed at this stage.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

38. DAHEJ STANDBY JETTY PROJECT UNDERTAKING (DJPU):

Amount due from customer under construction contract amounting to ₹ 11.10 Crores (Other non-current assets) pertain to cost incurred towards the contract which is yet to be certified by customer. Management had submitted variations towards the same in terms of the provisions of the contract, which were not approved by the Petronet LNG Limited ("the client"). During the year 2018-19, management has invoked arbitration for settlement of their claims against the client.

During the previous year 31st March 2022, an unfavourable award was granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture for ₹ 79.28 Crores (including interest of ₹ 20.45 Crores). Client has subsequently encashed the bank guarantees given by a Joint Venturer Partner, Afcons Infrastructure Limited of ₹ 79.28 Crores and recovered the award amount. The amount of encashed Bank Guarantee has been recorded by the Joint Venture as Other Receivables from customer (Other non-current assets) and Payable to JV Partner (non-current borrowings). Thereafter, the Joint Venture has filed petition at Hon'ble High Court, Delhi for setting aside the unfavourable award and also submitted claims for additional cost incurred w.r.t extended stay and acceleration cost, considering that the delay is attributable to the client and in terms of the contractual provisions this petition is admitted by Hon'ble High Court, Delhi and hearings is currently in process. The Hon'ble High Court Delhi on 22nd November 2022 directed client to submit an undertaking signed by President (Finance) of client, to the effect that it shall restitute the entire amount in the event Joint Venture succeeds in its challenge to the award.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims, carried out by Joint Venture's management, after considering the current status of proceedings in High Court, which is supported by external legal opinion, management of Joint Venture is of the view that the amount recoverable from the client of ₹ 79.28 Crores disclosed as 'Other Receivables' and the 'amount due from customer under construction contract' of ₹ 11.10 Crores as on 31st March 2023 is appropriate and no provision for aforesaid claims and receivables is required to be made as these have been considered as good and fully recoverable by the Management.

Note 39.

(a) The Group has been legally advised that outstanding interest free advances aggregating to ₹ 852.50 Crores before elimination (As at 31st March, 2022 ₹ 931.28 Crores) made towards financing the unincorporated joint operations do not come under the purview of Section 186 of Companies Act, 2013 as the Group is in the business of constructing and developing infrastructure facilities. The same gets nullified post elimination, refer note 6.

(b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For investments made refer to Note no. 4.

Note 40.

Konkan Railway Corporation Limited (KRCL) had issued a contract for construction of Arch Steel Bridge across river Chenab on 24th August 2004. The DBN (Design Basis Note) submitted by KRCL during the tender stage was revised in 2005 and subsequently in 2006 and 2010. The project got delayed due to various reasons such as changes in design parameters, wind load during service condition, arch span, finalization of slope stabilization etc. which the Management believes is attributable to the client.

Due to the above, the Company has raised two arbitration claims which are towards additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment, pend period cost etc. in terms of the provisions of the contract. In the earlier year, the Company had received an unfavorable award for major portion of its claim. The awards are challenged before Hon'ble Bombay High Court. Further the management of the company is in advanced stage of negotiation with KRCL. In addition to above, the Company has received the minutes of meeting held in January 2023 between the Company, KRCL and the Railway Board committee, which include the recommendations by the committee on the issues put forth in front of the committee. The recommendations are substantially in favor of the Company and is in discussion with KRCL.

The "amount due from customer under construction contract" recorded in the books of accounts amounting to ₹ 196.72 Crores as at 31st March 2023, includes ₹ 115.00 Crores on account of increase in steel quantity due to change in design is based on cost actually incurred and so claimed with KRCL, but not compensated.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims carried out by the management, after considering the current status of proceedings in arbitration and High Court, which is supported by external legal opinion, the management is confident of getting a favorable judgement and recover all the aforementioned amount of ₹ 196.72 Crores recorded in books as "amount due from customer under construction contract" related to this project.

Note 41.

The Group had executed project awarded by the Board of Trustees of the port of Mumbai (MbPT) for Modernization of the existing Marine Oil Terminal and berths/jetties J1, J2 and J3 at the Multi-cargo Marine Oil Terminal of Jawahar Dweep based in Mumbai Harbor. The project had completed in June 2003.

The Group had gone into arbitration with MbPT for compensation for extended stay related to projects and was successful in getting an award of ₹ 96.02 Crores including interest till the date of award, in its favour on November 2011. However, the Award was challenged by MbPT u/s 34 of Arbitration and Conciliation Act, 1996 to the Single Bench of Bombay High Court. The Single Bench had set aside the award and passed the order in favor of MbPT. The Group filed an appeal with the High Court of Mumbai for a two bench Judge as against order of Single Bench. The appeal was admitted by the High Court for a hearing by a two bench Judge in the month of April 2018. Based on management's assessment, legal opinion obtained and facts of the matter, the Group is confident of winning the case and recovering the entire amount from MbPT in future.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 42.

The Group had executed projects awarded by Uttar Pradesh Expressways Industrial Development Authority for Construction of Six-lane green field Kannauj to Unnao Expressway (package IV) and Firozabad to Etawah (package II). During the execution of these projects the client issued various change orders which required additional deployment of resources. The expressway was inaugurated and put to use in Dec 2016. These projects were completed 13 months ahead of schedule.

Due to the various change orders, the Company has raised various claims towards additional expenses on account of change of scope, additional works, royalty claim etc. An amount of ₹ 211.29 Crores is outstanding towards unbilled receivables and disclosed under note no.8 “Contract assets”. The matter is referred to Arbitration. Considering the legal opinion obtained and facts of the matter, the Company is confident of winning the case and recovering the entire amount from Uttar Pradesh Expressways Industrial Development Authority.

Note 43.

(a) The Group has unbilled receivables towards various ongoing and completed projects disclosed under Note no. 8 ‘Contract assets’. This unbilled work also includes variations on account of cost overruns due to unforeseen geological conditions, delays in handling over land, change in scope of work, etc. which are under discussions at various levels including customer, in arbitration, Dispute Adjudication Board etc. Based on the discussions and merits of the claims, the management is confident about the recovery of these pending variations with respect to unbilled receivables disclosed under note no.8 “Contract assets”.

(b) The Group has a total net receivable of ₹ 1,001.03 Crores (including interest on arbitration awards ₹ 272.31 Crores) which is a part of Trade Receivables shown under note 5 towards arbitration awards which are won by the Group in past, these arbitration awards have been further challenged by the customers before the session court or higher courts of law. Pending disposal of these matters in the courts, management has recognized the amount as per the arbitration award and part payment has been received by management under Niti Aayog Scheme upon submission of a bank guarantee by the Group. Management is confident about the recovery of the amounts involved in the pending matters at various levels.

Note 44. The Jointly Controlled Operations have mentioned in their financial statement that as per the terms of agreement parent is committed to provide additional funds as may be required to meet the working capital requirements of such Jointly Controlled Operations. The aforementioned has been disclosed by a few subsidiaries as well.

Basis management’s assessment, parent is committed to provide and can adequately source additional funds as may be required to meet the working capital requirements of these Jointly Controlled Operation/Subsidiary.

Note 45. As on 31st March 2023, an amount of ₹ 537.23 Crores (excluding Jointly Controlled Operations) is receivable towards GST Input Credit which includes unutilised credit of inputs and input service on account of inverted duty structure. The Group has a robust Order book position of more than ₹ 36,800 Crores across India and there are several projects which are under the pipeline. Further, the Group has initiated Arbitration towards variations and Time related claims with respect to various projects and management expects favorable awards in these claims/ arbitration. Considering the facts as mentioned above, there is no doubt about the utilization of the GST input credit balance against the future liabilities and the same is considered good.

Note 46. Going concern related assessments performed by various entities (including branches and jointly controlled operations) within the Group.

a) Afcons Sener LNG Constructions Projects Pvt. Ltd.

Material uncertainty related to going concern:

The auditor of Jointly Controlled Operations of Afcons Sener LNG Constructions Projects Pvt. Ltd. have given an Emphasis of Matter paragraph in relation to going concern assumption used for preparation of financial statements. Basis the Parent Company’s assessment company can adequately source the funding required at the mentioned Jointly Controlled Operations.

b) Afcons Oil and Gas Services Private Limited

Material uncertainty related to going concern:

The auditor of subsidiary “Afcons Oil and Gas Services Pvt. Limited” have given an Emphasis of Matter paragraph in relation to going concern assumption used for preparation of financial statements. Basis the Company’s assessment company can adequately source the funding required of the mentioned subsidiary.

Note 47: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

(iii) Relationship with struck off companies

The Group has following transactions with the companies during the financial year 2022-2023 struck off under Companies Act, 2013 or Companies Act, 1956.

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2023 (₹ in Crores)	Balance as on 31st March, 2022 (₹ in Crores)	Relationship with the struck off company
Shaurya Protection And Detection Private Limited.	Services	0.01	0.07	Not a Related Party
Bulsar Construction & Consulting (Opc) Private Limited.	Services	0.02	0.02	Not a Related Party
Dell Environmental Monitoring	Services	0.21	-	Not a Related Party

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

The Group has following outstanding balances as on March 31 2023, with the companies struck off under Companies Act, 2013 or Companies Act, 1956. However, no transactions have been entered during the year

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2023 (₹ in Crores)	Balance as on 31st March, 2022 (₹ in Crores)	Relationship with the struck off company
Chowdhary Motors Pvt. Ltd.	Supply	-	#	Not a Related Party
Convotech Projects Ltd.	Supply	-	#	Not a Related Party
Hal Water Vatika Pvt. Ltd.	Supply	-	0.01	Not a Related Party
Parmar Power System Pvt. Ltd.	Services	-	0.01	Not a Related Party
Satya Parkash & Bros Pvt.Ltd	Services	-	0.01	Not a Related Party
Rump Inspection & Engg	Services	-	#	Not a Related Party
Tricolite Engg. Pvt. Ltd.	Services	-	#	Not a Related Party
Mac International Infra Pvt Ltd.	Services	-	0.01	Not a Related Party
Zoiros Infratech Pvt Ltd	Services	-	0.02	Not a Related Party
I Dream Infratech Private Limited	Services	-	0.02	Not a Related Party
Auskini Infraqp Pvt Ltd	Services	-	0.01	Not a Related Party
Hbc Infratech Pvt. Ltd.	Services	-	#	Not a Related Party
Kamlesh Projects Private Limited	Services	-	0.06	Not a Related Party
Bikram Construction Private Limited	Services	-	0.02	Not a Related Party
Viradhya Infratech Private Limited	Services	0.02	0.02	Not a Related Party
Pankasooraj Foundations Private Ltd.	Services	-	#	Not a Related Party
Engicon India Pvt Ltd	Services	-	0.02	Not a Related Party
Sohum Habitat Pvt. Ltd.	Services	-	#	Not a Related Party
Sunrise Systems Ltd.	Services	-	#	Not a Related Party
Precision Calibration And Services	Services	-	#	Not a Related Party
Anp Geo Infra Pvt. Ltd.	Services	0.01	0.01	Not a Related Party
Varmine Construction Private Limited	Services	#	-	Not a Related Party
Mm & Ay Infra Projects Private Limited	Services	#	-	Not a Related Party
Srianandam Infratech Private Limited	Services	#	-	Not a Related Party

Note:- Amount mentioned as “#” is below rounding off norms adopted by the Group.

(iv) Compliance with number of layers of companies

The group has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by group from banks and financial institutions have been applied for the purposes for which such loans were taken.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Utilisation of borrowed funds and share premium

A. The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

B. The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note No 48. Financial instruments

48.1. Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 14 and 20) offset by cash and bank balances as detailed in notes 10 and 10.1 and total equity of the Group.

The Group is not subject to any externally imposed capital requirements. The Group monitors capital using a gearing ratio, which is net debt divided by total capital.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

48.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows. (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Debt (Refer note i)	1,562.83	1,555.20
Cash and bank balances	(377.44)	(526.42)
Net debt	1,185.39	1,028.78
Total equity (Refer note ii)	3,177.25	2,702.78
Net debt to equity ratio	0.37	0.38

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts as described in notes 14 and 20 and includes interest accrued but not due on borrowings)

(ii) Equity includes all capital and reserves of the Group that are managed as capital.

48.2. Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value except non-current investments in un-quoted equity instruments of subsidiaries and Jointly Controlled Operations, which are carried at cost.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	319.32	447.08
(b) Bank balance other than (a) above	58.12	79.34
(c) Trade receivables	2,847.85	2,982.75
(d) Loans	53.35	55.07
(e) Other financial assets	764.23	401.34
Measured at FVTOCI		
(a) Investments in equity instruments	0.50	0.89
Total financial assets	**4,043.37**	**3,966.47**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	1,562.83	1,555.20
(b) Trade payables	3,981.34	3,137.05
(c) Other financial liabilities	519.25	682.88
Total financial liabilities	**6,063.42**	**5,375.13**

48.3. Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal risk assessment and analysis forex exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The risk management is governed by the Group's policy approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

48.4. Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

48.5. Foreign currency risk management

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions in various countries. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

The carrying amounts of the Group's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Liabilities		Assets	
	As at 31st March, 2023		As at 31st March, 2023	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
AED Currency	0.65	14.49	0.06	1.39
BDT Currency	632.47	485.23	602.22	462.02
BHD Currency	0.01	2.84	0.00	0.01
BTN Currency	7.97	7.97	20.18	20.18
EURO Currency	0.28	24.57	1.34	120.05
GBP Currency	0.00	0.07	0.00	0.12
GHS Currency	28.77	205.56	24.17	172.67
JOD Currency	0.00	0.16	0.03	3.29
JPY Currency	1.45	0.90	0.01	0.01
KWD Currency	0.55	148.07	0.79	210.91
MRU Currency	17.92	43.25	2.57	6.20
MUR Currency	47.22	85.55	79.02	143.16
MVR Currency	169.62	903.84	154.93	825.54
MZN Currency	46.85	60.90	159.18	206.89
NPR Currency	0.19	0.12	0.02	0.01
OMR Currency	0.00	0.04	-	-
QAR Currency	-	-	0.50	11.24
SAR Currency	0.00	0.02	-	-
SGD Currency	0.00	0.00	-	-
TZS Currency	365.87	12.88	51.09	1.80
USD Currency	8.35	685.98	3.23	265.30
XAF Currency	1,257.53	170.90	1,693.44	230.14
XOF Currency	346.27	47.06	82.94	11.27
ZAR Currency	0.01	0.06	-	-
ZMW Currency	28.79	111.86	-	-

Particulars	Liabilities		Assets	
	As at 31st March, 2022		As at 31st March, 2022	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
USD Currency	4.52	342.53	1.89	143.36
EURO Currency	0.11	9.86	0.43	36.18
QAR Currency	13.19	274.73	13.69	285.10
OMR Currency	0.00	0.04	-	-
MUR Currency	144.79	242.78	191.17	320.53
UAE Currency	0.07	1.52	5.72	117.94
JOD Currency	0.00	0.14	0.04	4.34
BHD Currency	0.01	2.62	0.00	0.01
KWD Currency	0.88	219.18	0.98	244.46
GBP Currency	0.00	0.03	0.01	0.63
JPY Currency	1.96	1.22	-	-
BDT Currency	495.36	443.15	442.88	396.20
SAR Currency	0.00	0.01	0.04	0.88
GHS Currency	27.32	283.66	14.53	150.84
SGD Currency	0.00	0.01	-	-
ZMW Currency	57.56	241.70	-	-
MZN Currency	101.47	121.68	223.56	268.10
MRU Currency	32.07	67.12	-	-
BTN Currency	30.33	30.33	-	-
TZS Currency	1,136.21	37.15	2,153.83	70.43
MVR Currency	141.83	707.17	37.74	188.19
XAF Currency	675.36	86.45	991.42	126.90
XOF Currency	-	-	0.70	0.09

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

48.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of USD, EURO,KWD,GHS,ZMW,MUR, MZN, MRU and MVR

The following table details the Group's sensitivity to a 5% increase and decrease in the Indian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding on receivable and payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in the profit or equity where the Indian Rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency , there would be a comparable impact on the profit or equity, and the balances below would be negative. The impact of 5 % is also applicable on outstanding foreign currency loans as on the reporting date.

Particulars	USD currency impact		Euro currency impact		KWD currency impact	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(21.03)	(9.96)	4.77	1.32	3.14	1.26
Decrease in exchange rate by 5%	21.03	9.96	(4.77)	(1.32)	(3.14)	(1.26)

Particulars	GHS currency impact		ZMW currency impact		MUR currency impact	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(1.64)	(6.64)	(5.59)	(12.08)	2.88	3.89
Decrease in exchange rate by 5%	1.64	6.64	5.59	12.08	(2.88)	(3.89)

Particulars	MZN currency impact		MRU currency impact		MVR currency impact	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Impact on profit or loss for the year						
Increase in exchange rate by 5%	7.30	7.32	(1.85)	(3.36)	(3.91)	(25.95)
Decrease in exchange rate by 5%	(7.30)	(7.32)	1.85	3.36	3.91	25.95

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

48.5.2 Derivative financial instruments

There are no significant derivative financial instruments outstanding at the end of the reporting period.

48.6. Interest rate risk management

The group is exposed to interest rate risk because entities in the group, borrow foreign currency and local currency funds at floating interest rates. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The group's exposure to interest rate changes at the end of reporting period are as follows: (₹ in Crores)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Borrowing at Fixed Rate	773.69	1,006.15
Borrowing at Floating Rate	787.72	546.24
Total Borrowings	**1,561.41**	**1,552.39**

48.6.1. Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the group's profit for the year ended March 31, 2023 would decrease/increase by ₹ 3.94 Crores (2021-22: decrease/increase by ₹ 2.73 Crores). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings.

48.7. Other price risks

The Group is exposed to equity price risks arising from mutual funds and equity investments. Certain of the Group's equity investments are held for strategic rather than trading purposes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenure of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

48.7.1 Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

i) other comprehensive income for the year ended March 31, 2023 would increase/decrease by ₹ 0.01 Crores (2021-22: increase/decrease by ₹ 0.01 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

48.8 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from investment in debt instruments, loans, trade receivables, other receivables, cash and bank balance and derivative financial instruments.

The Group is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, bank deposits, trade receivables and loan receivables. The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

Trade receivables and loan receivable:

The Group assesses and manages credit risk on an internal credit evaluation system. It is performed by the finance team in conjunction with the relevant business teams depending on whether depending on the nature and type of the financial asset being evaluated.

The customer base of the Group is highly comprising of government parties. Further, Group is having certain short term loan receivables from the Group entities. Collateral is generally not obtained from customers. Other customers are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from Group Companies, they have been considered to enjoy the low credit risk as they meet the following criteria:

    i) they have a low risk of default,

    ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and

    iii) the Group expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

(B) Cash and cash equivalents, bank deposits are held with only high rated banks/financial institutions, credit risk on them is therefore insignificant.

(C) For other trade receivables (including contract assets), the Group uses “General Model” for the measurement of expected credit loss (ECL) for trade receivables as well as contract asset.

The measurement of ECL under general model depends on whether credit risk has increased significantly since initial recognition. These credit risk is regularly monitored based on historic turnover activity and credit performance of every customer. In addition, overdue receivable balances are monitored and actioned on a regular basis. When the credit risk has not increased significantly after initial recognition, a provision shall be made for the 12 month expected loss, otherwise shall be made for the entire lifetime.

The Group considers the probability of default upon initial recognition of asset and whether there is a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information which considers multiple factors such as:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower’s ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increase in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

Macro-economic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments within 120 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Refer note 5 and note 8 for reconciliation of expected credit loss balance on financial assets.

48.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the Group’s short-term, medium-term, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

48.9.1 Liquidity risk table

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include principal cash flows along with interest. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(₹ in Crores)

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1-5 years	5+ years	Total
31st March, 2023					
Borrowings (including interest)	8.67%	1,031.35	663.04	-	**1,694.39**
Trade payables		3,508.50	472.84	-	**3,981.34**
Other financial liabilities		362.37	156.88	-	**519.25**
		4,902.22	**1,292.76**	**-**	**6,194.98**
31st March, 2022					
Borrowings (including interest)	8.00%	1,190.30	451.11	-	**1,641.41**
Trade payables		2,697.32	439.73	-	**3,137.05**
Other financial liabilities		494.79	188.09	-	**682.88**
		4,382.41	**1,078.93**	**-**	**5,461.34**

The Group is exposed to credit risk in relation to guarantees given. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. Based on expectations at the end of the reporting period, the Group considers that it is more likely that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the beneficiary under the guarantee may default.

For Contractual maturities of lease liabilities refer note 50 (iii).

48.10 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

48.10.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in Crores)

Financial assets / Financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2023	As at 31st March, 2022		
Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.50	0.89	Level 1	The investment in quoted instruments are measured at fair value based on quoted prices in active market.

Note 1: These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

48.10.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amounts of the following financial assets and financial liabilities (other than long term borrowings) are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

a) **Financial assets**

Cash and bank balances

Bank balance other than above

Trade receivables

Loans

Other financial assets

b) **Financial liabilities**

Short-term borrowings

Trade payables

Other financial liabilities

Lease Liabilities

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

The carrying amount and fair value of long term borrowings, which are measured at amortised cost is disclosed in table below :

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**787.72**	**787.72**	**546.24**	**546.24**
- Borrowings	787.72	787.72	546.24	546.24

Note No 49. Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers".

(i) Disaggregation of revenue from contracts with customers into geographical areas for the year ended March 31, 2023 recognised in the statement of profit & loss

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Segment revenue		
India	8,603.73	7,463.26
Outside India	4,033.65	3,555.70
Revenue from external customers	**12,637.38**	**11,018.96**
Timing of revenue recognition		
At a point in time	153.96	130.46
Over time	12,483.42	10,888.50
	12,637.38	**11,018.96**

(ii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting period is ₹ 37,420.22 Crores (Previous year ₹ 33,861.72 Crores). Management expects that about 40% of the transaction price allocated to unsatisfied contracts as of 31st March, 2023 will be recognized as revenue during next reporting period depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

(iii) Reconciliation of contract price with revenue recognised during the year: (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Revenue as per contract price	12,692.32	11,059.47
Adjustments for:		
Payments on behalf of customer	(54.94)	(40.51)
Revenue from Operations	**12,637.38**	**11,018.96**

(iv) Significant changes to Contract Asset and Contract Liability from April 1, 2022 to March 31, 2023 (₹ in Crores)

Particulars	Contract Assets	Contract Liabilities
April 1, 2022	3,962.82	4,480.14
Changes in Contract Asset / Liabilities	726.18	59.17
March 31, 2023	4,689.00	4,539.31

* The contract assets and liabilities undergo a change periodically, due to changes in the contractual estimates for the projects on account of any change in scope of work, unprecedented delays, etc. During the year, the group has additionally recognised a loss allowance for contract assets in accordance with Ind AS 109.

(v) - For movement in Expected Credit Loss of Trade Receivables and Contract Assets, refer Note 8.1 of the financial statement.

- For Trade Receivables refer Note 5 of the financial statement.

- For Contract liabilities of the Consolidated refer Note 17 of the financial statement.

(vi) Contracts assets and liabilities balance (₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Contracts in progress at the end of the reporting period:		
Construction cost incurred plus recognised profits less recognised loss to date	56,982.01	43,542.11
Less : Progress billings	53,422.41	41,165.66
	3,559.60	**2,376.45**
Recognised and included in the consolidated financial statements as amounts due :		
- from customers under construction contracts	4,689.00	3,962.82
- to customers under construction contracts	(1,129.40)	(1,586.37)
	3,559.60	**2,376.45**

(vii) The Group recognised revenue amounting to ₹ 1,380.26 Crores in the current reporting period (Previous year ₹ 1,232.88 Crores) that was included in the contract liability as of April 01, 2022

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 50 - Disclosure pursuant to Ind AS 116 "Leases".

The Group leases land and buildings. Rental contracts are typically made for fixed periods of 12 months to 6 years, but may have extension options as described in (v) below.

(i) Amounts recognised in the balance sheet

a. Right-to-use assets (₹ in Crores)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Land	3.D	42.41	50.96
Building	3.D	6.31	14.60

b. Lease Liabilities (₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Current	33.75	33.83
Non-current	15.68	34.20

(ii) Amounts recognised in the statement of profit and loss (₹ in Crores)

Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
Expense relating to short-term leases (included in other expenses)**	28	35.75	404.01
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	28	0.49	0.88
Interest on lease liability	26	5.12	6.68
Depreciation during the year	27	41.73	38.70
Total		**83.09**	**450.27**

** Rent expense relating to short-term leases of identified assets and variable lease payments under Ind AS 116 included in Note 24.1 and Note 28 as mentioned above stands to ₹ 35.75 Crores However, the total of rent and hire charges included in Note 24.1 and Note 28 stands at ₹ 707.29 Crores, the differential of ₹ 671.54 Crores is on account of hire charges of the assets which are unidentified assets under Ind AS 116.

(iii) Maturities of lease liabilities as at March 31, 2023 (₹ in Crores)

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	33.75	15.68	-	49.43
	33.75	**15.68**	**-**	**49.43**

(iv) Total cash outflow for leases for the year ended 31 March 2023 was ₹ 43.45 Crores

(v) Extension and termination options

Extension and termination options are included in a number of Land, Office Premises, Houses and Godowns leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operation. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(vi) Practical expedients applied :

In applying Ind AS 116, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics.
- accounting for operating leases with a remaining lease term of less than 12 months as at 1st April, 2023 as short-term leases.
- using hindsight in determining the lease term where the contract contains option to extend or terminate the lease.
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.

(vii) The lessee's range of weighted average incremental borrowing rate applied to the lease liabilities for the entire group was 9.25%.

(viii) Lessor accounting

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of Ind AS 116.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2023 (Continued)

Note 51.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 52 - Interest in other entities

Details of aggregate amount of individually immaterial subsidiaries having non-controlling interest. (₹ in Crores)

Name of Subsidiary	Principal Activities	Place of Incorporation and Principal place of business	Proportion of ownership interests and voting rights held by non- controlling interest		Profit/(Loss) allocated to non- controlling interest		Accumulated non-controlling interest		Dividends paid to non-controlling interest	
			As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	Infrastructure	Kuwait	3%	3%	(0.01)	0.05	1.56	1.57	-	-
Afcons Construction Mideast LLC	Infrastructure	U.A.E	-	20%	-	1.20	-	(10.85)	-	-
Total					**(0.01)**	**1.25**	**1.56**	**(9.28)**	**-**	**-**

Note 53.

As of 31st March, 2023 the Parent Company has an outstanding receivables amounting to ₹ 92.77 Crores from SP Jammu Udhampur Highway Limited (SP Juhi) under the EPC contract for the Jammu Udhampur Road Project of NHAI. SP Juhi had assigned the same to Shapoorji Pallonji Solar Holdings Pvt Ltd. (SP Solar) vide deed of assignment dated 20th July, 2022 between SP Juhi and SP Solar.

Note 54.

The financial statement was approved and adopted by the Board Of Directors in it's meeting held on 16th June, 2023.

In terms of our report attached | **For and on behalf of the Board of Directors**

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

K.SUBRAMANIAN
Executive Vice Chairman
Din:00047592

S.PARAMASIVAN
Managing Director
Din:00058445

NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 16th June, 2023

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of the subsidiary / associate companies/ and the joint venture.

Part "A "Subsidiaries

(₹ in Crores)

Sr. No	Name of the Company	Country of Incorporation	Reporting Currency	Reporting Period	% of Share	Rate of Exchange	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Details of Investments (except in case of investment in subsidiaries)			Turnover (Incl. Other Income)	Profit/ (Loss) before Tax	Provision for Current & Deferred Tax	Profit/ (Loss) after Tax	Proposed Dividend
											Shares	Mutual Funds	Total of Investment					
1	Hazarat & Company Private Limited	India	INR	1st April 2022 31st March 2023	100%	-	0.20	-0.17	0.03	0.03	-	-	-	0.02	-	-	-	-
2	Afcons Corrosion Protection Private Limited	India	INR	1st April 2022 31st March 2023	100%	-	0.08	1.83	1.93	1.93	-	-	-	0.13	0.11	-0.03	0.08	
3	Afcons Hydrocarbons Engineering Private Limited	India	INR	1st April 2022 31st March 2023	100%	-	0.10	1.31	1.41	1.41	-	-	-	0.07	0.06	-0.02	0.04	-
4	Afcons Oil & Gas Services Private Limited	India	INR	1st April 2022 31st March 2023	74%	-	0.01	-0.03	0.01	0.01	-	-	-	-	-0.01	-	-0.01	-
5	Afcons Construction Mideast LLC**	Dubai, UAE	AED	1st Jan 2022 31st Dec 2022	100%	22.53	0.68	-90.51	329.91	329.91	-	-	-	54.74	-16.96	-	-16.96	-
6	Afcons Gulf International Projects Services FZE (100 % subsidiary of AMIL)	Fujairah	AED	1st Jan 2022 31st Dec 2022	100%	22.53	2.25	2.60	4.87	4.87	-	-	-	-	-0.31	-	-0.31	-
7	Afcons Infrastructures Kuwait for Building, Roads and Marine Contracting WLL	Kuwait	KWD	1st Jan 2022 31st Dec 2022	49%	270.68	3.25	16.50	38.96	38.96	-	-	-	1.97	0.46	-	0.46	-
8	Afcons Mauritius Infrastructure Limited	Mauritius	EURO	1st April 2022 31st March 2023	100%	88.71	9.76	2.48	12.29	12.29	-	-	-	0.02	-0.12	-	-0.12	
9	Afcons Overseas Singapore Pte Ltd.	Singapore	SGD	1st April 2022 31st March 2023	100%	61.75	0.31	531.36	585.50	585.50	-	-	-	119.53	-13.77	-	-13.77	-
10	Afcons Infra Projects Kazakhstan LLP (Step down subsidiary)	Kazakhstan	KZT	1st April 2022 31st March 2023	100%	0.18	0.01	-0.97	0.43	0.43	-	-	-	0.16	-0.26	-	-0.26	-
11	Afcons Saudi Construction LLC*	Saudi Arabia	SAR	1st April 2022 31st March 2023	100%	21.90	1.09	-0.88	1.17	1.17	-	-	-	-	-	-	-	-
12	Afcons Overseas Project Gabon SARL (Step down subsidiary)	Gabon	XAF	1st Jan 2022 31st Dec 2022	100%	0.14	0.01	39.74	43.89	43.89	-	-	-	0.78	-3.65	-	-3.65	-

Notes:

1) Names of subsidiaries which are yet to commence operations - **Nil**

2) Indian rupee equivalent of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31st December 2022 / 31st March 2023.

3) The above statement does not include 28 controlled trust as the same is not as subsidiaries /associates/ joint venture company under Companies Act 2013.

4)** During the year under review, your Company has acquired 51% Shareholding of Afcons Construction Mideast LLC. Pursuant to the said acquisition of shareholding, Afcons Construction Mideast LLC is a wholly-owned Subsidiary of the Company.

5)* Afcons Saudi Construction LLC has been liquidated vide cancellation of Commercial Licence in December 2021.

Part "B" Joint Operations

Sr. No.	Name of Associates / Joint Operations	Afcons KPTL JV	Strabag Afcons Joint venture	Ircon Afcons Joint Venture	Afcons Sener LNG Construction Projects Pvt. Ltd.#	Afcons Gunanusa Joint Venture	Transtonnelstroy Afcons Joint Venture	Dahej Standby Jetty Project Undertaking	Afcons Sibmost Joint Venture	Afcons Pauling Joint Venture	Afcons Vijeta PES JV	Afcons SMC JV	Afcons Vijeta JV	Afcons JAL JV	Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd JV	Afcons Vijeta JV Zimbabwe	Afcons Hindustan JV
		Unincorporated JO	Unincorporated JO	Unincorporated JO	Incorporated JO (Refer Note 3)	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Partnership Firm (Refer Note 3)	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO	Unincorporated JO
1	Reporting Period	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023
2	**Shares of Associate / Joint operations held by the company on the year end**																
	No.	-	-	-	4,900	-	-	-	-	-	-		-	-	-	-	-
	Amount of Investment in Joint operations	-	-	-	49,000	-	-	-	-	1,74,00,000	-		-	-	-	-	-
	Extend of Holding %	51%	40%	47%	49%	100%	99%	100%	100%	95%	100%	100%	100%	100%	100%	100%	100%
3	Description of how there is significant influence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Reason why the associate/Joint operation is not consolidated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crs)	15.16	11.29	0.24	(9.77)	(39.09)	(80.26)	0.83	15.40	1.74	(0.29)	4.63	7.42	0.40	(18.01)	10.17	0.24
6	**Profit / Loss for the year (₹ in Crs)**																
	i. Considered in Consolidation	11.91	5.60	(0.15)	(1.82)	0.24	12.16	(0.09)	52.60	-	(0.34)	2.30	1.43	(2.24)	(9.80)	(8.18)	0.24
	i. Not considered in Consolidation		-	-	-	-	-	-	-	-							

Notes:

1) Names of joint operations which are yet to commence operations -Nil

2) Names of joint operations which have been liquidated or sold during the year - Nil

3) These entities are accounted in the Standalone/Consolidated Financial Statements in terms IND AS-110 & IND AS-111, however the same are not considered as subsidiaries /associates/ joint venture company under Companies Act 2013.

4) #Afcons Sener LNG Construction Project Pvt. Ltd. is an associate entity (i.e. Joint Venture Company between Afcons Infrastructure Limited and Sener India Engineering & System Pvt. Ltd.)

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AFCONS INFRASTRUCTURE LIMITED

Registered office: “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053
Tel.: +91 22 67191000, Website: www.afcons.com, CIN: U45200MH1976PLC019335

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	E-mail Id:
Folio No/ Client Id:	DP ID:
Registered address:	

I/We, being the member(s) of .... shares of the above named company, hereby appoint

1. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ……………………………………………………………………………….... Signature: ....

or failing him

2. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ……………………………………………………………………………….... Signature: ....

or failing him

3. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ……………………………………………………………………………….... Signature: ....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Forty-Seventh Annual General Meeting of the Company, to be held on Friday the 4th August, 2023 at 04.30 p.m. at “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai – 400 053 and at an adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt
   a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023, the reports of the Board of Directors and Auditors thereon.
   b. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Report of the Auditors thereon.
2. To declare dividend of ₹ 4/- (Rupees Four Only) per equity shares for the financial year ended 31st March, 2023.
3. To declare dividend on Convertible Preference Shares of the Company for the financial year ended 31st March, 2023.
4. To appoint a Director in place of Mr. S. Paramasivan (DIN: 00058445), who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Umesh Khanna (DIN: 03634361), who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Branch Auditor of the Company.
7. To ratify the remuneration payable to the Cost Auditor for FY 2023-24.
8. To re-appoint and fix the remuneration of Mr. K. Subramanian (DIN: 00047592) as Whole-time Director designated as Executive Vice Chairman of the Company for a further term of Three (3) years i.e. from 1st July 2023 to 30th June 2026.
9. To re-appoint and fix the remuneration of Mr. S. Paramasivan (DIN: 00058445) as Managing Director of the Company for a further term of Three (3) years i.e. from 1st July 2023 to 30th June 2026.
10. To vary the terms of remuneration of Mr. Giridhar Rajagopalan (DIN: 02391515) Deputy Managing Director of the Company for the remaining period of his appointment i.e. from 1st July 2023 to 30th June 2025.
11. To vary the terms and conditions of 25,00,00,000 (Twenty Five crores) 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty crores only) of the Company held by Goswami Infratech Private Limited.
12. To create charges on the movable and immovable properties of the Company, both present and future, upto the limit of ₹ 30,000 crores in respect of borrowings of the Company.
13. To increase borrowing limits of the Company in terms of section 180 (1)(c) of the Companies Act, 2013 upto the limit of ₹ 5,000 crores.
14. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 crores.

Signed this .... day of 2023

Affix Revenue Stamp

Signature of Member(s)... Signature of Proxy holder(s) ....

NOTES:

1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hour before the commencement of the Meeting.
2. For Resolution, Explanatory Statement and Notes, please refer to the notice of the Forty-Seventh Annual General Meeting.
3. A Proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

AFCONS INFRASTRUCTURE LIMITED

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ATTENDANCE SLIP

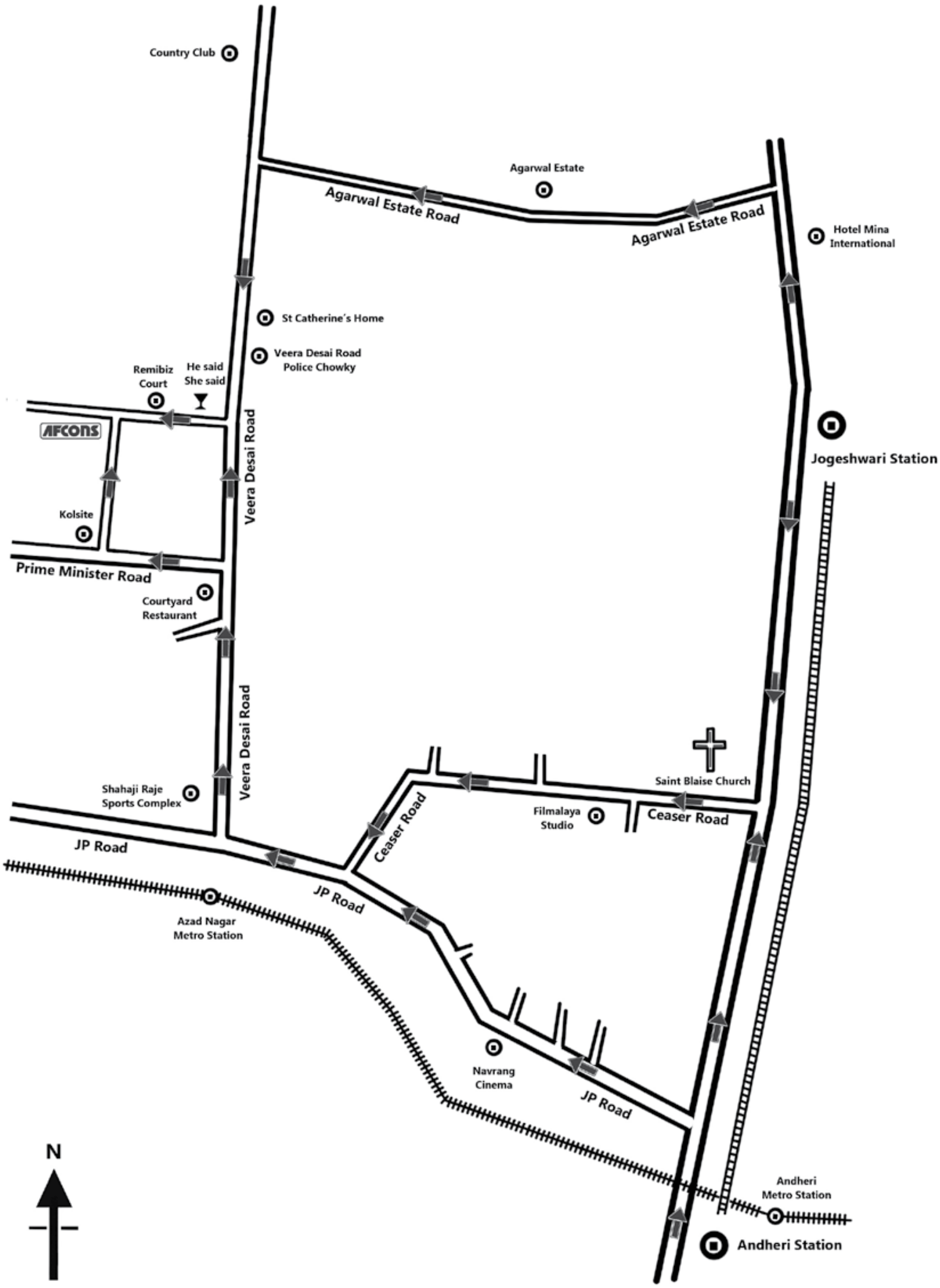
I hereby record my presence at the Forty-Seventh Annual General Meeting of the Company to be held at Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Andheri (West), Mumbai- 400 053 on Friday the 4th August, 2023 at 04.30 p.m.

Full Name of the *Member/Proxy : ……………………………………………………………………..

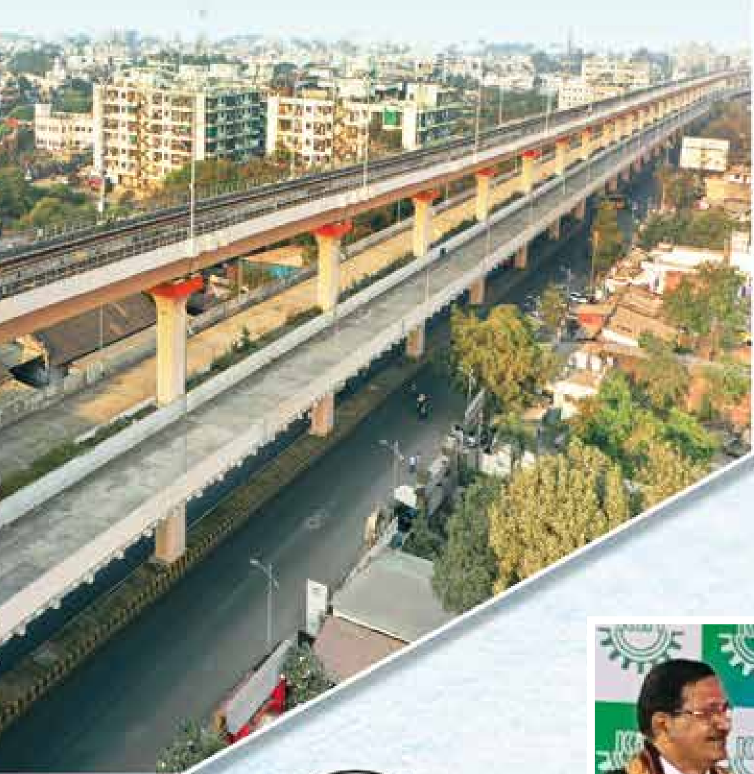
Folio No. OR Client/DP ID No. : …………………………......................... No. of Shares held : ………..…………………….............

* strike out whichever is not applicable. SIGNATURE OF THE *MEMBER/PROXY

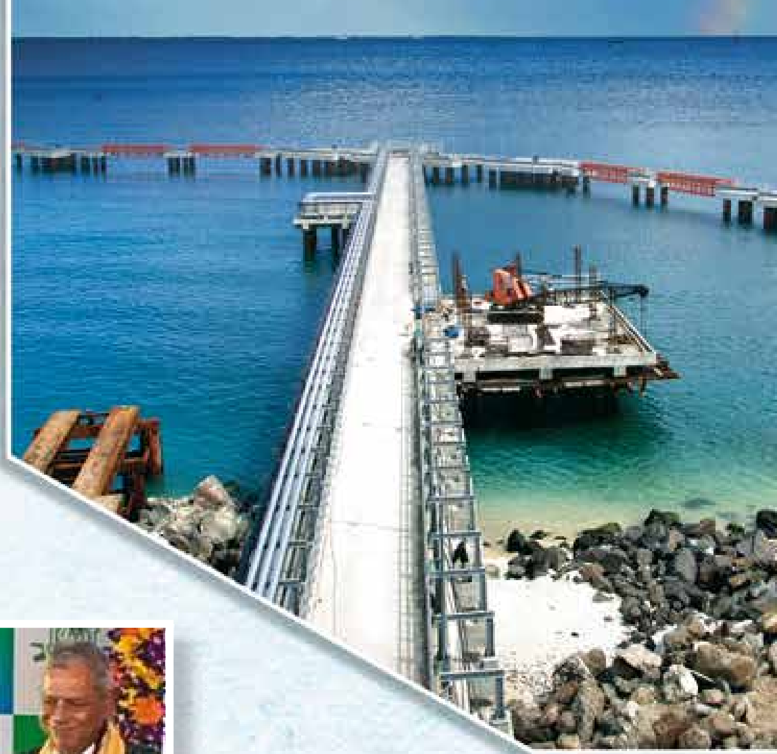
ROUTE MAP TO THE AGM VENUE



Asia's longest double-decker (Metro-cum-NHAI) viaduct-Nagpur



Mauritius Oil Jetty



HONORARY DOCTORATE FOR EVC

Executive Vice Chairman Mr. K Subramanian was conferred with D. Litt. (Honoris Causa) at the 18th annual convocation of Kalinga Institute of Industrial Technology (KIIT). The doctorate was conferred on him for his contribution to Construction Industry and Corporate Leadership.

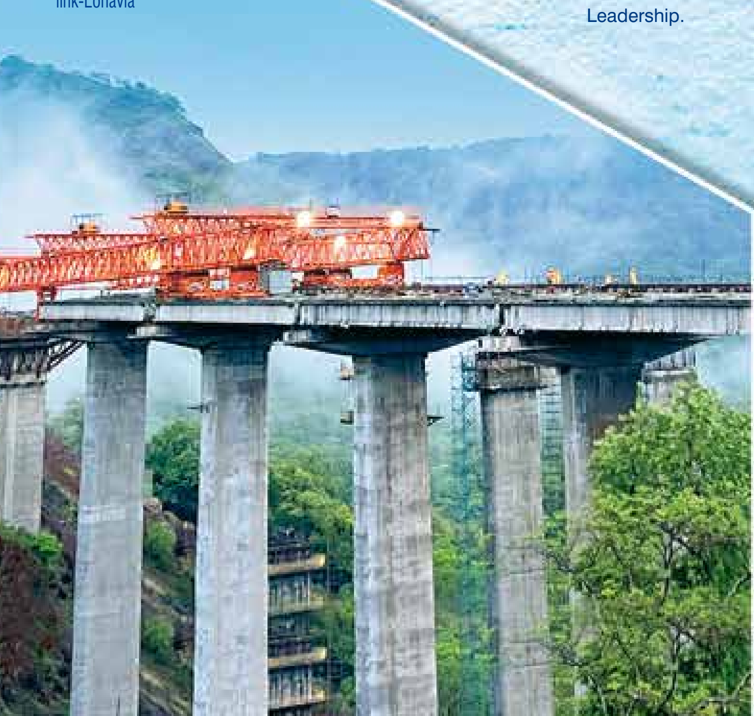
FIVE TIMES MIKE AWARD

Afcons has been declared as the global MIKE Award Winner 2022 by the Global MIKE team. This is the fifth consecutive year that Afcons has won this award.

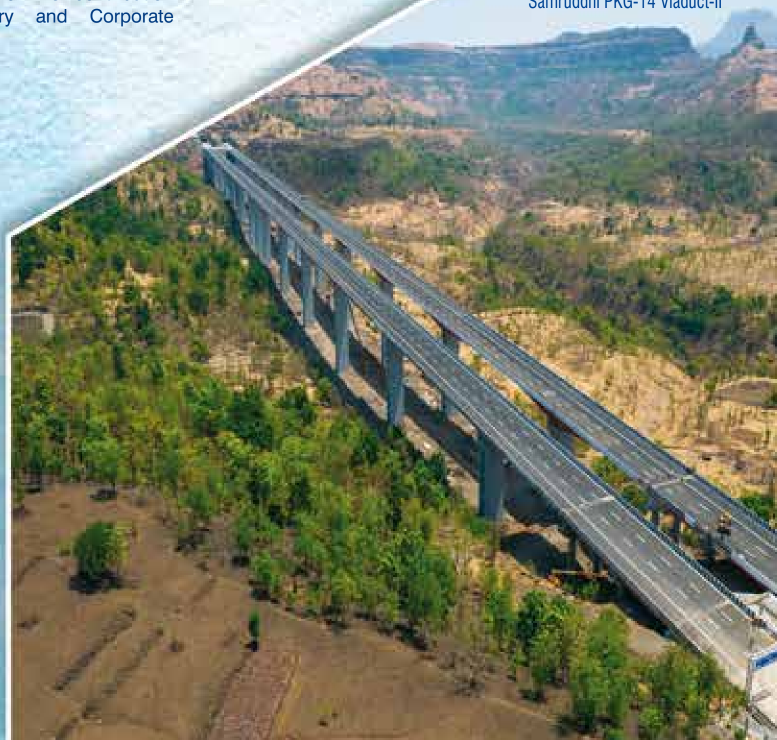
IEI INDUSTRY EXCELLENCE AWARD

Afcons received the IEI Industry Excellence Award 2022 for outstanding performance with a high order of business excellence during 37th Indian Engineering Congress organised by the institution of Engineers (India).

Mumbai pune expressway missing link-Lonavla



Samruddhi PKG-14 Viaduct-II



AFCONS INFRASTRUCTURE LIMITED

A Shapoorji Pallonji Group Company

"Afcons House" 16, Shah Industrial Estate,
Veera Desai Road, Azad Nagar P. O.,
Andheri (West), Mumbai - 400 053
Tel: 67191000
Website: www.afcons.com
CIN: U45200MH1976PLC019335

CRYSTAL (022) 6614 0900 • Info@crystalforms.com

AFCONS INFRASTRUCTURE LIMITED

BOARD OF DIRECTORS

Mr. Shapoorji P. Mistry	:	Chairman, Non-Executive & Non-Independent Director
Mr. K . Subramanian	:	Executive Vice Chairman
Mr. S Paramasivan	:	Managing Director
Mr. Giridhar Rajagopalan	:	Deputy Managing Director
Mr. Umesh N. Khanna	:	Non-Executive & Non-Independent Director
Mr. Sitaram J. Kunte	:	Independent Director (w.e.f. 12.03.2024)
Mr. Anurag K. Sachan	:	Independent Director (w.e.f. 12.03.2024)
Ms. Rukhshana J. Mistry	:	Independent Director (w.e.f. 12.03.2024)
Mr. Atul Sobti	:	Independent Director (w.e.f. 24.03.2024)
Mr. Cherag S. Balsara	:	Independent Director (w.e.f. 24.03.2024
Mr. Pallon S. Mistry	:	Non-Executive Director (upto 12.03.2024)
Ms. Roshen .M. Nentin	:	Non-Executive Director (upto 12.03.2024)
Mr. David P. Rasquinha	:	Independent Director (upto 24.03.2024)
Mr. Pradip N. Kapadia	:	Independent Director (upto 25.03.2024)

AUDIT COMMITTEE MEMBERS

Ms. Rukhshana J. Mistry - Chairman (w.e.f. 12.03.2024)

Mr. Sitaram J. Kunte (w.e.f. 12.03.2024)

Mr. Umesh N. Khanna

CHIEF FINANCIAL OFFICER

Mr. Ramesh Kumar Jha

COMPANY SECRETARY

Mr. Gaurang M. Parekh

AUDITORS

Deloitte Haskins and Sells LLP
Chartered Accountants
(ICAI Firm Registration No.117366W/W-100018)

HDS & Associates LLP, Chartered Accountants,
(ICAI Firm registration no. W100144)

REGISTERED OFFICE

“AFCONS HOUSE”, 16, Shah Industrial Estate, Veera Desai Road,
Azad Nagar P.O. Andheri (West) Mumbai- 400 053
Website: www.afcons.com; CIN : U45200MH1976PLC019335

Forty-Eighth (48th) Annual General Meeting will be held on 13th August, 2024 at 4.00 p.m. at “Afcons House” 16, Shah, Industrial Estate, Veera Desai Road, Azad Nagar P.O., Andheri (West), Mumbai – 400053.

BANKERS

State Bank of India
UCO Bank
Punjab National Bank
Axis Bank Ltd.
Bank of India
Bank of Baroda
ICICI Bank Ltd.
Union Bank of India
Yes Bank Ltd.
HSBC Ltd.
Export Import Bank of India
Indian Bank
IDBI Bank Limited
DBS Bank India Ltd.
Indusind Bank Limited
Karnataka Bank
Indian Overseas Bank

REGISTRARS & SHARE TRANSFER AGENT

Link Intime India Private Limited
247 Park, C-101 L.B.S. Marg
Vikhroli (West),
Mumbai 400083.
Email id.: rnt.helpdesk@linkintime.co.in

CONTENTS

AFCONS INFRASTRUCTURE LIMITED

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the Forty-Eighth (48th) Annual Report together with the Audited Financial Statements for the financial year ended 31st March 2024.

1. FINANCIAL RESULTS

Particulars	Consolidated		Standalone	
	₹ in Crores		₹ in Crores	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Total Income	13,646.88	12,844.09	13,285.34	12,683.50
Profit/(Loss) before Tax	672.62	599.08	664.94	623.02
Provision for Taxation	207.48	159.64	207.44	184.77
Excess/(short) provision for tax in respect of earlier years	15.38	28.58	15.38	28.58
Profit/(Loss) after Tax (before Minority Interest)	449.76	410.86	442.12	409.67
Minority Interest	0.00	(0.01)	-	-
Profit/ (Loss) for the year	449.76	410.87	442.12	409.67
Balance brought forward from previous years	2457.66	2,059.79	2,048.25	1,640.73
Other items classified to other comprehensive income	(8.51)	(2.10)	(8.51)	(2.10)
Other Adjustment	-	(10.85)	-	-
Profit available for Appropriation	2,898.91	2,457.71	2,481.86	2,048.30
Less: Appropriation				
(i) Dividend on Equity	28.79	-	28.79	-
(ii) Dividend on Preference Shares	0.05	0.05	0.05	0.05
(ii) Tax on Dividend		-		-
(iv) Transferred to/(from) Debenture Redemption Reserve		-		-
Balance Carried Forward to Balance Sheet	2,870.07	2,457.66	2,453.02	2,048.25

2. OPERATIONS

(a) Standalone Results

Your Company has achieved total income of ₹ 13,285.34 Crores for the year compared to the previous year's ₹ 12,683.50 Crores showing increase of 4.75%. The Profit before Tax for the year was ₹ 664.94 Crores compared to ₹ 623.02 Crores in the previous year resulting in increase of 6.73%. The Profit after Tax for the year was ₹ 442.12 Crores compared to ₹ 409.67 Crores in the previous year resulting in an increase by 7.92%.

(b) Consolidated Results

Your Company achieved total income of ₹ 13,646.88 Crores for the year compared to the previous year's ₹ 12,844.09 Crores showing an increase of 6.25%. The EBIDTA for the year was ₹ 1,583.14 Crores compared to ₹ 1,373.80 Crores in the previous year resulting in an increase by 15.24%. The Consolidated Profit before Tax for the year was ₹ 672.62 Crores compared to ₹ 599.08 Crores in the previous year resulting in an increase of 12.28%. The Consolidated Profit after Tax for the year was ₹ 449.76 Crores compared to ₹ 410.86 Crores in the previous year resulting in an increase by 9.47%. All intercompany transactions are netted out at the time of consolidation and hence, the profits and revenues are reduced to that extent. Your Company's Order book as on 31st March, 2024 stood at ₹ 30,961 Crores.

(c) There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

(d) During the year under review, the following major works were completed:

i. Construction of multiple bridges on Katra Dharma section of Udhampur-Srinagar Baramulla Rail Link Project in Jammu & Kashmir of Konkan Railway Corporation Limited.

ii. Construction of Special Bridge across River Chenab at Km 50/800 on the Katra-Laole Section on the Section of the Udhampur-Srinagar Baramulla Rail Link Project in Jammu & Kashmir of Konkan Railway Corporation Limited.

iii. Construction of Elevated Viaduct and 9 Nos. Elevated Station, Phase 1, Kanpur Metro at Kanpur, Uttar Pradesh of Lucknow Metro Rail Corporation Limited.

iv. Development of Infrastructure at Agalega Island, Port of Mauritius of High Commission of India, Mauritius through Rites Limited.

v. Construction of Access Control Nagpur-Mumbai Super Communication Express (Maharashtra Samruddhi Mahamarg), Maharashtra on EPC mode of Package 14 (Tunnel Works) from 623.379 km to 636.479 km of Maharashtra State Road Development Corporation Limited.

vi. Engineering, Procurement, Supply and Construction of LNG Storage Tanks for LNG Import, Storage and Regasification, Terminal at Chhara at Gujarat of HPCL LNG Limited (formerly known as HPCPL Shapoorji Energy Private Limited) awarded to Consortium of the Company with IHI Corporation, Japan.

vii Engineering, Procurement, Supply, Construction and Commissioning of Marine Facilities at Chhara LNG Terminal at Chhara, Gujarat of HPCL LNG Limited (formerly known as HPCPL Shapoorji Energy Private Limited).

(e) During the year under review, the Company has secured/bagged the following Contracts:

i. Design and Construction of 8.65 km long Treated Water Tunnel and allied works from Water Treatment Plant at Jite to Sai village (3.35 km) and from Vindhane village to Mbr Vahal (5.3 km), District –Raigad. (Package-1) of CIDCO, Navi Mumbai of ₹ 740.97 Crores.

ii. Construction of Tunnelling Works including Testing and Commissioning for Double Line High Speed Railway Using Tunnel Boring Machine (TBM) and New Austrian Tunnelling Method (NATM) between Mumbai Underground Station at Bandra-Kurla Complex (MAHSR KM. 0.773) and Shilphata (MAHSR KM. 21.150) in the State of Maharashtra for the Project for Construction of Mumbai-Ahmedabad High Speed-Rail (Package No. MAHSR-C-2) for National High Speed Rail Corporation Limited of ₹ 5,422 Crores.

iii. Construction of 4- Lane Elevated (Length: 2.1 KM) from Mithapur to Sipara (along with 2 way ROB at Sipara) and 4 lane At-Grade Road from Ram Govind Singh Mahuli halt to Punpun (Lakshman Jhula) (Length - 2.2 KM.), Total Length of the project 4.3 KM along Eastern side of Railway line from Mithapur - Sipara - Mahuli -Punpun in the State of Bihar on EPC Mode for Bihar State Road Development Corporation Limited of ₹ 365.49 Crores.

iv. Design and Construction of Twin Tunnel by Shield TBM, Underground Station (Ramganj Chaupar), Cut and Cover Tunnel Box and Underground Ramp from Badi Chaupar dead end of Jaipur Metro Phase-1C Including Entry Exit Structures, Architectural Finishing, Water Supply, Sanitary Installations and Drainage Works at Jaipur, Rajasthan, India for Jaipur Metro Rail Corporation Limited of ₹ 534.28 Crores.

v. Engineering, Procurement, Construction, Testing, Commissioning, Trial Run and Operation & Maintenance for 10 Years of Indrasagar - I Multi Village Drinking Water Supply Scheme, District Khandwa & Khargone in Single Package on ‘Turn-Key Job Basis’ for Madhya Pradesh Jal Nigam Maryadit of ₹ 703.94 Crores.

vi. Implementation of Small Development Projects at Agalega for Republic of Mauritius for ₹ 16.96 Crores.

(f) Projects bagged subsequent to the Financial Year 31st March 2024

i. Civil Works of “Module factory for Train 2, Box culvert and FW pump house, Stilling basin, Kirloskar yard development, FW tank, Pipe rack & Pipe bridge and 33kva cable trench” at PV factory, Civil works for Effluent Treatment Plant, Civil works for “Sub-Station Building (2 Nos.), Horton sphere foundation” at Polysilicon Plant, UG piping fabrication & laying including associated civil work for Train-1 (5 GW), Mechanical Works of Offsite and Utilities of Train 1, PV Manufacturing Complex, Reliance, Jamnagar for Reliance Industries Limited of ₹ 369.12 Crores.

ii. Civil Works including HM works for construction of 150.6M high concrete gravity dam & appurtenant works across river Gola of Jamrani Dam Project in district Nainital, Uttarakhand for Uttarakhand Project Development and Construction Corporation Ltd. of ₹ 2,021.99 Crores.

3. CREDIT RATING

During the year, ICRA has assigned the Company the long term rating of “A+ (Stable)” and short term rating of “A1”.

4. FILING OF DRAFT RED HERRING PROSPECTUS

Pursuant to the decision of the Board of Directors and the consent of the Members of the Company accorded vide Postal Ballot on 17th March 2024 to the public issue and listing of equity shares of the Company through initial public offering (“**IPO**”) in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Company has filed a Draft Red Herring Prospectus dated 28th March, 2024 **(“DRHP”)** with the Securities and Exchange Board of India, BSE Limited, and National Stock Exchange of India Limited (collectively, “**Stock Exchanges”**). The proposed IPO is for an amount aggregating to up to ₹ 70,000 million consisting of Fresh Issuance of Equity Shares for an amount aggregating up to ₹12,500 million and an Offer for Sale of Equity Shares by the Selling Shareholder, Goswami Infratech Private Limited **(“GIPL”)** for an amount aggregating to ₹57,500 million..

5. SHARE CAPITAL

(a) During the year under review the Compulsory Convertible Preference Shares of the Company held by Preference shareholders has been converted into equity shares as detailed below:

i) On 13th January 2024, the 25,00,00,000, 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory, Preference Shares having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only) of the Company held by GIPL has been converted into and allotted 24,65,40,258 equity share of the Company of the face value of ₹ 10/-.

ii) On 13th January 2024, 10,00,00,000, 0.01% Non-Cumulative and Non-Profit Participatory Convertible Preference Shares having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,00,00,00,000/- (Rupees One Hundred Crores only) held by Floreat Investments Private Limited (“**FIL**”) has been converted into and allotted 1,46,52,015 equity share of the Company of the face value of ₹ 10/- each.

iii) On 14th February 2024, 10,00,00,000, 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,00,00,00,000/- (Rupees One Hundred Crores Only) held by Shapoorji Pallonji and Company Private Limited ("**SPCPL**") has been converted into and allotted 75,75,758 equity share of the Company of the face value of ₹ 10/- each.

iv) Pursuant to the aforesaid conversion of the Preference Shares into equity share, GIPL has become the majority shareholder and holding company of the Company and has been categories as Promoter along with existing Promoters namely SPCPL and FIL**.**

(b) Pursuant to the conversion of the aforesaid Compulsory Convertible Preference Shares of the Company into equity share, the total paid-up share capital of the Company as on 31st March, 2024 was ₹ 340,73,82,690/-.

(c) Pursuant to the approval of the Members of the Company, accorded vide Postal Ballot dated 17th March 2024, the Authorised Capital of the Company has been increased from ₹ 1,000 Crores to ₹ 1,750 Crores.

6. DIVIDEND

(a) Goswami Infratech Private Limited **("GIPL")** and Floreat Investments Private Limited **("FIL")** were the holder of the Convertible Preference share of the Company until their conversion into equity shares on 13th January, 2024. Also, Shapoorji Pallonji and Company Private Limited **("SPCPL")** were the holder of Convertible Preference Shares of the Company until their conversion into equity share on 14th February, 2024. The Board of Directors of the Company at their meeting held on 14th June, 2024 have, inter alia, recommended payment of dividend of 0.01% on the said Convertible Preference Shares of the Company to GIPL,FIL and SPCPL (collectively referred to as **"Preference shareholders**") for the period from 1st April, 2023 until their date of the conversion of their respective Convertible Preference Shares (i.e. 13th January, 2024 for GIPL & FIL and 14th February, 2024 for SPCPL respectively). The dividend on the Convertible Preference Shares, if declared by the Members at this AGM, will involve a dividend payout of ₹ 3,61,611/- (Rupees Three Lakhs Sixty One Thousand Six Hundred Eleven Only) to the aforesaid Preference shareholders for the proportionate period of holding during the financial year under review.

(b) The Board of Directors of the Company at their meeting held on 14th June, 2024 have, inter alia, recommended payment of dividend of 25% [(i.e.₹ 2.50/-(Rupees Two Rupees Fifty paisa only) per equity share of the face value of ₹ 10 (Rupees Ten only)] out of the Profits for the financial year ended 31st March, 2024, subject to approval of the Members at the ensuing AGM. The dividend for the financial year ended 31st March, 2024, if declared by the Members at the ensuing AGM will involve a dividend payout of ₹ 32,33,01,621/- (Rupees Thirty-Two Crores Thirty Three Lakhs One Thousand Six Hundred Twenty One Only). The Preference shareholders to whom equity shares were allotted pursuant to conversion on the Convertible Preference Shares held by them (i.e. 13th January, 2024 and 14th February, 2024 respectively), shall be entitled to equity dividend on proportionate basis (i.e. the date of allotment of equity shares until 31st March, 2024). The dividend, once declared by the Members at this AGM will be paid, to those Members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e. Tuesday, 6th August, 2024.

(c) Any fraction arising in the payment of aforesaid preference dividend or equity dividend to preference shareholder / equity shareholder respectively shall be rounded of to nearest rupee and for this purpose, where such dividend amount contains as part of a rupee constating of paise, then if such part is fifty paisa or more, it shall be rounded off to the next whole number and if such part is less than fifty paisa it shall be ignored.

(d) In view of the applicable provisions of Income Tax Act, 1961 ("the IT Act"), dividend paid or distributed by the Company shall be taxable in the hands of the Members. Your Company shall, accordingly, make the payment of the dividend after deduction of tax at source at the rate prescribed in the IT Act.

7. SUBSIDIARIES / ASSOCIATE / JOINT VENTURE

(a) During the year under review, your Company has not incorporated any new subsidiary company. The Company is exploring business opportunities in the Kingdom of Saudi Arabia and in this connection, the Company has entered into joint venture with Local Saudi partner and is in the process of setting-up limited liability company in the Kingdom of Saudi Arabia.

(b) During the year under review, your Company has acquired 26% shareholding of Afcons Oil and Gas Services Private Limited from its joint venture partner, PT Gunanusa Utama Fabricators, Indonesia. Pursuant to the said acquisition of shareholding, Afcons Oil and Gas Services Private Limited is now a wholly owned Subsidiary of the Company.

(c) Pursuant to the provisions of section 129(3) of the Companies Act, 2013, **("Act")** and other applicable provisions, if any of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 a statement containing salient features of the financial statements of the Company's subsidiaries, associate company and joint venture in **Form AOC-1** is attached to financial statement of the Company. Pursuant to the provision of section 136, copy of separate financial statements of subsidiaries will be made available upon request of any Member of the Company who is interested in obtaining the same.

(d) The consolidated financial statements presented by the Company include financial statement of the Subsidiaries prepared in accordance with the applicable accounting standards.

(e) There are no material changes in the nature of business of the Company or any of its subsidiaries or associates.

8. AMENDMENT IN MEMORANDUM OF ASSOCIATION & ARTICLE OF ASSOCIATION

During the year under review, in connection with the proposed listing of equity shares and pursuant to the approval of the Members of the Company accorded vide Postal Ballot on 17th March 2024, the object clauses of the Memorandum of Association has been amended. Also, the Articles of Association of the Company has been altered and new set of the Articles of Association of the Company has been adopted aligning it with the Act and the SEBI listing regulations.

9. CORPORATE GOVERNANCE

Your Company, being a value driven organization, believes in coherent and self-regulatory approach in the conduct of its business to achieve the highest levels of good corporate governance practices. A report on Corporate Governance forms part of this Annual Report.

During the year, in connection with the proposed initial public offering of the Company, the Company has reconstituted its existing Committee compositions and the terms of reference thereof to bring it in conformity with the SEBI Listing Regulations, as may be applicable to the Company upon listing of the Company. Also, the Company has constituted Risk Management Committee and IPO Committee. The Company has also amended / revised existing policies and adopted policies in compliance with requirement Act and SEBI Listing Regulations (as may applicable to Company). The same is available on the website of the Company.

The details of Committees of the Board, their composition, terms of reference and details of such committee meetings held are provided in the Corporate Governance Report.

In addition, during the year under review the Company has changed its Registrar and Share Transfer Agent of the Company from Cameo Corporate Service Limited to Link Intime India Private Limited. The Members are requested to taken note of the address and coordinates of the new RTA i.e. Link Intime India Private Limited as provided in the Corporate Governance Report and Point No. 11 of the Notes to the Notice of the Annual General Meeting of the Company.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, is presented in a separate section which forms part of this Annual Report.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

During the year under review:

(a) Ms. Roshen M. Nentin (DIN: 00004884) Non-Executive Director and Mr. Pallon S. Mistry (DIN: 05229734) Non-Executive Director have ceased to be Directors of the Company w.e.f. 12th March, 2024 (end of the business working hours).

(b) Pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, the Board of Directors of the Company at its meeting held on 12th March, 2024 have appointed Mr. Sitaram Janardan Kunte (DIN: 02670899), Mr. Anurag Kumar Sachan (DIN: 08197908) and Ms.Rukhshana Jina Mistry (DIN: 08398795) as an Additional Independent Directors of the Company, not liable to retire by rotation, for first terms of five (5) consecutive years from 12th March, 2024 up to 11th March 2029 (both days inclusive).

At the ensuing Forty-Eighth (48th) Annual General Meeting, the Board recommends to the Member for the regularisation and appointment of Mr. Sitaram Janardan Kunte (DIN: 02670899), Mr.Anurag Kumar Sachan (DIN: 08197908) and Ms.Rukhshana Jina Mistry (DIN: 08398795) as an Independent Directors, not liable to retire by rotation, for their first terms of five (5) consecutive years from 12th March, 2024 up to 11th March 2029 (both days inclusive).

(c) Mr. David Paul Rasquinha (DIN: 01172654) Independent Director has ceased to be Director of the Company w.e.f. 24th March, 2024 (end of the business working hours) and Mr. Pradip Narotam Kapadia (DIN: 00078673) Independent Director have ceased to be Directors of the Company w.e.f. 25th March 2024 (end of the business working hours).

(d) Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 24th March, 2024 appointed Mr.Atul Sobti (DIN: 06715578) and Mr.Cherag Balsara (DIN: 07030974) as an Additional Independent Directors of the Company, not liable to retire by rotation for terms of five (5) consecutive years from 24th March, 2024 up to 23rd March 2029 (both days inclusive).

At the ensuing Forty-Eighth (48th) Annual General Meeting, the Board recommends to the Members for the regularisation and appointment of Mr.Atul Sobti (DIN: 06715578) and Mr.Cherag Balsara (DIN: 07030974) as an Independent Directors, not liable to retire by rotation for terms of 5 (five) consequent years from 24th March, 2024 up to 23rd March 2029 (both days inclusive).

(e) Mr. Shapoorji Mistry (DIN: 00010114) and Mr. Giridhar Rajagopalan (DIN: 02391515), Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers themselves for re-appointment.

(f) Information as required under the Companies Act, 2013 and the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of appointment of Directors seeking appointed / reappointed at this Annual General Meeting is disclosed in the Notice of the said Annual General Meeting.

12. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration and other matters provided in section 178(3) of the Act is posted on the website of Companies at https://www.afcons.com/en/investors. Kindly refer to the heading "Nomination and Remuneration Committee" in the Corporate Governance Report for matters relating to constitution, meetings, functions of the Committee and salient features of the Policy.

13. STATEMENT ON EVALUATION OF PERFORMANCE OF DIRECTORS

During the year, pursuant to the provisions of the Act, the Board has carried out the annual performance evaluation of its own performance, Board Committees and that of Individual Directors of the Company. The evaluation was carried out through a structured questionnaire taking into consideration various aspects of the Board's functioning and discharge of fiduciary duties by the Board, time devoted by the Board to Company's long term strategic issues, quality and transparency of Board discussions, timeliness of the information flow between Board Members and management, Board's effectiveness in disseminating information to shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

14. DECLARATION FROM INDEPENDENT DIRECTORS

The Board has received declarations from the Independent Directors as per the requirement of section 149(7) of the Act, that there has been no change in the circumstances which may affect their status as independent director during the year and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in section 149(6) of the Act.

15. MEETINGS OF BOARD

Nine (9) meetings of the Board were held during the financial year. The details of the meetings of the Board, are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134 of the Act, your Directors hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the Directors had prepared the annual accounts on a going concern basis; and

v. 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.

17. QUALITY, HEALTH, SAFETY & ENVIRONMENT

The Company firmly believes that the pursuit of excellence is one of the most critical components for a competitive success. With Quality, Health, Safety & Environment being an essential part of the Company's policy, it strives to deliver services by maintaining the highest level of Quality, Health, and Safety & Environmental Standards.

The policy of the Company is to conduct its construction business through an established Quality, Health, Safety & Environmental (QHSE) Management System, which aims to achieve customer satisfaction and, in the process, a continual improvement of Company's competencies and competitiveness.

The Company is certified for ISO 9001:2015 for Quality management System, ISO: 14001:2015 & ISO 45001:2018 for Occupational Health Safety & Environment Management System. All the three systems are well established, documented, implemented, and maintained across the Company.

The Company has a commendable record in terms of safety at our various project sites and has received awards as well as appreciation letters from our clients, which are detailed below:

(a) <u>International Safety Awards:</u>

i. International Safety Awards by British Safety Council (BSC) for the following projects:

- Delhi Meerut RRTS, NCRTC-PKG-8
- Delhi Meerut RRTS, NCRTC-PKG-6
- Delhi Metro Rail Corporation - DC-05
- BSRDC Elevated road Project
- Mokama Railway Bridge Project

ii. International Safety Awards (SILVER Category) by Royal Society for the Prevention of Accident for Delhi- Meerut RRTS NCRTC PKG-:6.

(b) <u>National Safety Awards:</u>

i. National Safety Rating-Star Award 2023 by National safety council (NSC) for the following projects :

- NCRTC Pkg : 08-Five Golden Star Safety rating award
- Dahej GCPL-Four Golden Star Safety rating award
- Delhi Metro rail project - DC-05 - Four Golden Star Safety rating award

ii. Construction OHSE Excellence award from World Class safety Organisation (WSO)-National Office for the following projects :

- BMRCL RT-01
- Delhi Meerut - NCRTC Pkg : 8
- Delhi Meerut - NCRTC Pkg : 6

iii. BSRDC Elevated Road project was conferred with the following awards:

- Kalinga Safety Excellence Award for construction industry
- Platinum award by Institute of Quality & Environment Management service- Bhubaneshwar-Odisha

iv. Kanpur metro rail project was conferred with the following awards at World Safety Forum**:**

- OHS Award for Large Enterprises Construction sector by Globa Safety Summit.
- ESG excellence award by Globa Safety Summit.

v. Delhi Meerut NCRTC Pkg: 8 received Safety Shield for excellence in Safety by National safety council (NSC) awarded.

vi. Ahmedabad Metro (Elevated) rail project received Best Environment performance award (Silver) from World Safety Organization (WSO).

vii. Delhi to Ahmedabad Metro (UG) project received Best Environment & Sustainable Development award by India Green Award

viii. Delhi to Ahmedabad Metro Elevated pkg: C1 received ESG Platinum Award by India Green Award.

These awards are reflections of the strict HSE standards being followed and implemented at worksite and the commitment of the Company's management towards Quality, Health, and Safety & Environment.

18. AWARDS AND RECOGNITIONS

A. During the year, the Company has received several awards and recognitions, some of which are detailed below:

a. Most Innovative Knowledge Enterprise (MIKE) Award at Global, Asia and India levels in 2023 for Knowledge Management practices of the Company for the Eight year in a row.

b. ASSOCHAM's Annual Flagship Infrastructure Awards 2023 conferred two awards to Company:

(i) Innovative Bridge Design for the Chenab Railway Bridge.

(ii) Fastest Tunnel Construction Project for the Maharashtra Samruddhi Mahamarg Package-14.

c. Civil Engineering & Construction Review (CE&CR) has conferred below two awards,

(i) CE&CR Award for 'Outstanding Tunnel Structure' category for Atal Tunnel.

(i) Outstanding Infrastructure Projects' category for Chenab Railway Bridge.

d. EPC World has at the 10th EPC World Awards awarded Outstanding Contribution in Roads & Highways Award to the Company for Maharashtra Samruddhi Mahamarg Package-2.

e. 13th Construction Week India Awards 2023 has been conferred award for Metro Rail Contractor of the Year Award in Mumbai.

f. Chenab Railway Bridge has been awarded the National Project Excellence Award at the Project Management Associates (PMA) National Awards 2023.

g. Public Relations Council of India (PRCI) 2023 has conferred Six awards to the Company in the following categories:

i. Chanakya Award for Best Infrastructure Company of the Year

ii. Chanakya Award to Mr. Bivabasu Kumar for Positive Impact on Water Management

iii. Platinum Award in Corporate Film

iv. Crystal Award in Digital Newsletter

v. Gold in Media Relations

vi. Silver in House Journal

h. National CSR Leadership Awards 2023 has been conferred award for Industries in Water Sector to Company

i. Mokama Rail Bridge Project has been awarded a certificate of appreciation by the World Safety Organisation in India State Level OHS&E Awards 2023.

j. Delhi-Meerut RRTS PKG-8 has been awarded Gold Runner Up in Construction and Infrastructure at 5th ICC National Occupational Health and Safety Awards 2023

k. Public Relations Society of India (PRSI) National Awards 2023 has been conferred two awards to the Company in following categories:

   i. Corporate newsletter, Afcons Insight, secured the third prize in the Newsletter (English) category.

   ii. Awarded third position in the Best Communication Campaign (Internal) category for ATMA launch campaign.

l. 8th Atal Shastra Markenomy Awards 2023 has been conferred Atal Shastra Markenomy - Best Private Sector Infra Construction Enterprise' to Company.

m. At Zee Real Heroes Awards Company has been conferred Best Infrastructure Development Company Award.

n. Confederation of Indian Industry (CII) during their 10th CII-Northern Region EHS Competition on Environment, Health, and Safety Management (EHS) has honoured the Company as winner in Service and Construction category for The Delhi-Meerut RRTS PKG-8 project.

o. Confederation of Indian Industry (CII) at the CII Industrial Innovation Awards 2023 recognised Company as one of the Top 50 Innovative Companies

p. East-West Metro project has been awarded inaugural Build India Infra Award in the Innovation category in the Metro sector.

q. AmbitionBox Employee Choice Award 2024 was conferred to the Company as it has ranked among top 3 construction companies in Mid-Sized category.

r. 38th Indian Engineering Congress has conferred IEI Industry Excellence (Platinum) Award 2023 for outstanding performance with high order of business excellence.

s. Bridge Engineers (IIBE) Awards has conferred Five Awards to the Company in the following category:

   i. Aesthetic Bridges including Foot over Bridges - Tirupati Elevated Corridor & Smart City Project

   ii. Innovative Repairs & Rehabilitation of Bridges - Rehabilitation of MG Setu

   iii. Superstructure other than Prestressed Concrete - Double Decker Viaduct in Nagpur Metro

   iv. Superstructure other than Prestressed Concrete - Bridge 39 from KRCL Bridges project

   v. Special Bridges including Cable Supported & Arch Bridges - Chenab Railway Bridge

t. The National Capital Region Transport Corporation (NCRTC) has been awarded Best Safe Contractor Award in 2023.

B. Mr. Ramesh Kumar Jha, CFO of the Company has been conferred with the award of "Best CFO in Infrastructure Sector" at the 2nd Vibrant Bharat CFO Summit & Awards 2024, organised by ASSOCHAM.

19. AUDITOR AND AUDITOR'S REPORT

(a) STATUTORY AUDITORS AND THEIR REPORT

i. Deloitte Haskins and Sells LLP, Chartered Accountants (ICAI Firm Registration No.117366W/W-100018) **("DHS")** have been appointed as one of the Joint Statutory Auditors of the Company for a first term of five (5) years effective from the Forty- Sixth (46th) Annual General Meeting held on 29th September, 2022 till the conclusion of the Fifty-First (51st) Annual General Meeting to be held in the calendar year 2027. DHS have provided their respective consents, certificates and declarations as required under Section 139 and 141 of the Act and Companies (Audit and Auditors) Rules, 2014.

ii. HDS & Associates LLP, Chartered Accountants (ICAI registration no. W100144) **("HDS")** have been appointed as one of the Joint Statutory Auditors of the Company for a second term of five years effective from the Forty-Fifth (45th) Annual General Meeting held on 27th September, 2021 till the conclusion of the Fiftieth (50th) Annual General Meeting to be held in the calendar year 2026. HDS have provided their respective consents, certificates and declarations as required under Section 139 and 141 of the Act and Companies (Audit and Auditors) Rules, 2014.

iii. Deloitte Haskins and Sells LLP, Chartered Accountants (ICAI Firm Registration No.117366W/W-100018) and HDS & Associates LLP, Chartered Accountants (ICAI registration no. W100144), being the Joint Statutory Auditors of the Company, have conducted Statutory Audit of the Standalone and Consolidated Financial of the Company for the Financial year 2023-24.

iv. The Audited Standalone and Consolidated Financials of the Company for the financial year 2023-24 along with the Auditors report have been approved by Audit Committee and Board of Directors of the Company at their respective meetings held on 14th June 2024. The Statutory Auditor's Report of the Company for financial year 2023-24 does not contain any qualification.

v. During the year under review, no fraud was reported by the Auditors to the Board of Directors.

(b) SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Parikh Parekh & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Report of the Secretarial Auditor is enclosed as **Annexure I** to this Board Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remark.

The Company has complied with the Secretarial Standards as applicable to the Company pursuant to the provisions of the Act.

(c) COST AUDITOR

In terms of section 148 of the Act, read with Companies (Cost records and audits) Rules, 2014, as amended, your Company is covered under the ambit of mandatory cost audit.

On the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s. Kishore Bhatia & Associates, Cost Accountant (Firm Registration No. 00294) as the Cost Auditors, to carry out the cost audit for the Company in relation to the financial year from 2024-25. The Company has received consent from M/s. Kishore Bhatia & Associates for their re-appointment.

The Members consent is sought at the ensuing Annual General Meeting for ratification of the remuneration of the Cost Auditor for the financial year 2024-25.

20. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

Your Company has adopted accounting policies which are in line with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

21. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 **("the Rules")** and other applicable provisions if any, the Company is required to transfer the amount of unclaimed/unpaid dividend lying with the Company to Investor Education and Protection Fund **("IEPF")** established by the Central Government. Also, the shares in respect of which dividend is unclaimed for 7 consecutive years, is required to be transferred to IEPF Authority.

The Company has been regularly sending communications to Shareholders whose dividends are unclaimed, requesting them to provide/update bank details with RTA/Company, so that the dividends paid by the Company are credited to their account on time. Also, all efforts have been made by the Company in co-ordination with the Registrar to locate the shareholders who have not claimed their dividend.

Despite several reminders to the shareholders vide registered post at their registered postal addresses and also through newspaper advertisements calling upon the shareholders to claim their unclaimed dividends, there were 27 shareholders who haven't claimed dividend aggregating to ₹ 27,732/- (Rupees Twenty Seven Thousand Seven Hundred and Thirty Two Only) for the financial year 2016-17 and which remained unclaimed for seven years as on 29th April, 2024. Hence, the aforesaid unclaimed dividend of ₹ 27,732/- have been transferred to IEPF Authority.

The concerned equity shareholders can claim their aforesaid unclaimed dividend along with the dividend(s) by making an application to IEPF Authority in accordance with the procedure available on www.iepf.gov.in and on submission of such documents as prescribed under the IEPF Rules.

22. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Conservation of energy

Whenever you save energy, you not only save money, you also reduce the demand for such fossil fuels as coal, oil, and natural gas. Less burning of fossil fuels also means lower emissions of gases such as C02, CO, HFC etc., the primary contributor to global warming, and other pollutants.

I. The Company is continuing its effort to convert all sites from fossil power to grid power thereby minimizing the carbon footprint. This has been Implemented to all sites as per feasibility. The total conversion of fossil power of 110MVA by Grid power of 48 MVA considering the sites. The reduction GHG (Green House Gas) emission by 54,800 tonnes.

II. The steps taken by the Company for utilizing alternate sources of energy - **NIL**

III. The capital Investment on energy conservation equipment-**NIL**

(b) Technology absorption

1. Sensor Based Tunnel LED lighting implemented to Reduce Energy consumption.

i. Indigenous Operated system Implemented for Grout plants and Batching Plants.

ii. Automatic power factor correction panels installed at all sites where grid power is available used for maximum utilization of Energy.

iii. Replacement of Fluorescent Light fixtures with LED light fixtures at Afcons House building renovation to save energy and enhance life of fixtures, work completed.

iv. At sites, we have started implementing LED light fixtures for Area lighting & office area instead of Fluorescent Light fixtures.

v. All sites started using 4star and 5star air conditioning system to minimise Energy consumption.

2. Imported technology (imported during the last three years reckoned from the beginning of the financial year)-**NIL**

(c) FOREIGN EXCHANGE EARNING AND OUTGO (Standalone) **(₹ in Crores)**

	Current year	Previous year
Earnings	2,931.47	3,608.27
Outgo	3,318.02	3,759.94

23. PARTICULARS OF LOANS GUARANTEES OR INVESTMENTS

The Company is exempt from the provisions of Section 186 of the Act, except sub-section (1), pertaining to loans, guarantees and securities as the Company is engaged in the business of providing infrastructure facilities. In view of non-applicability of section 186 of the Act, the details required to be made thereunder in the financial statements are not applicable in relation to loans made, guarantees given or security(ies) provided. The investments covered under the provisions of section 186 of the Act, are disclosed in the financial statements.

24. RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the Financial Year 2023-24 were reviewed and approved by the Audit Committee and were on arm's length basis and in the ordinary course of business. Prior omnibus approval is obtained of the Audit Committee for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length. The details of the remuneration of the Key Managerial Personnels of the Company, who are deemed to related parties under section 188 of the Act are disclosed in the Extract of the Annual Return of the Company for the Financial Year 2023-24. The disclosure of related party transactions is made in the financial statements of the Company. In terms of section 134(3)(h) read with section 188(2) of the Act, there are no material related party transactions entered by your Company during the year, that individually or taken together with previous transactions during a financial year, exceed the prescribed limits under Rule 15(3) of Companies (Meeting of Board and its Powers) Rules, 2014, as amended. Accordingly, there being no information to be disclosed in AOC-2 format, the same is not enclosed.

25. DEPOSITS / LOANS FROM DIRECTORS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet. Further, your Company has not accepted any deposit or any loan from the directors during the year under review.

26. EXTRACT OF THE ANNUAL RETURN

The Annual Return of the Company as on 31st March 2024 in Form MGT - 7 in accordance with section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at https://www.afcons.com/en/investors.

27. VIGIL MECHANISM POLICY

In accordance with section 177(9) of the Act, read with rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Company has established a Vigil Mechanism Policy to provide a framework for responsible whistle blowing and for adequate safeguards against victimization of persons who use such mechanism. The said vigil mechanism policy has been amended and approved and adopted by the Board of Directors at their meeting held on 24th March 2024 and the policy is available on the website of the Company at https://www.afcons.com/en/investors.

28. RISK MANAGEMENT

The Company has in place a Risk Management Committee to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business and to ensure sustainable business growth with stability. The Company has at its Board meeting held on 18th March 2024 formulated and implemented a Risk Management Policy, the said Risk Management mechanism policy is available on the website of the Company at https://www.afcons.com/en/investors.

29. CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. The Company has framed Corporate Social Responsibility (CSR) Policy. The Company has amended Corporate Social Responsibility (CSR) Policy vide Board Meeting dated 18th March 2024. A brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the financial year is enclosed as **Annexure II** to this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at https://www.afcons.com/en/investors.

30. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place policy for protection of the rights of Women at Workplace. An Internal Complaints committee has also been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of Prevention of Sexual Harassment Act. During the year under review, no complaints pertaining to sexual harassment were received by the Company.

31. SECRETARIAL STANDARDS:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

32. OTHER DISCLOSURES/REPORTING

a) No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Buyback of shares.
- Scheme of provision of money for the purchase of Company's own shares by employees or by trustees for the benefit of employees
- Employee Stock Options Scheme.
- Invitation or Acceptance of fixed Deposit from public or shareholders
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither the Managing Director nor the Whole-Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

b) There are no significant and material orders passed by the regulator or courts or tribunal impacting the going concern and its operation in future.

c) There is no material change or commitments after closure of the financial year till the date of the report.

d) During year under review no application was made or any proceeding pending against the company under the Insolvency and Bankruptcy Code, 2016 (IBC Code).

e) During the year under review, there has been no instance of one time settlement with Banks or financial institutions, hence the disclosure relating to the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof is not applicable.

33. NODAL OFFICER

The Company has appointed Mr. Gaurang Parekh, Company Secretary as the Nodal Officer for the purpose of verification of claims filed with the IEPF Authority in terms of IEPF Rules and for co-ordination with the IEPF Authority. The said details are also available on the website of the Company https://www.afcons.com/en

34. ACKNOWLEDGEMENT

Your directors would like to acknowledge with gratitude the continued support and co-operation received by the Company from its Clients, Bankers, Financial Institutions, Government authorities, Employees and its valued Investors.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

	K . Subramanian	**S. Paramasivan**
Place: Mumbai	**Executive Vice Chairman**	**Managing Director**
Date: 24th June, 2024	**Din: 00047592**	**Din: 00058445**

Annexure I

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Afcons Infrastructure Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Afcons Infrastructure Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2024 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

  (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period) and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

  (vi) Other laws applicable specifically to the Company namely:-

  - The Control of National Highways (Land and Traffic) Act, 2002 ("Control of NH Act")
  - The Major Port Authorities Act, 2021 ("MPA Act")
  - Inland Vessels Act, 2021 ("IVA")
  - The Maharashtra Maritime Board Act, 1996 ("MMB Act")
  - Coasting Vessels Act, 1838 ("Coasting Act")
  - The Merchant Shipping Act, 1958 ("MSA")
  - Maharashtra Land Revenue Code, 1966, read with the applicable rules ("MLR Code")

- Maharashtra Regional and Town Planning Act, 1966 (“MRTP Act”)
- Maharashtra Tenancy and Agricultural Lands Act, 1948 (“MTAL Act”)
- Industries (Development and Regulation) Act, 1951 (“IDAR Act”)
- The Legal Metrology Act, 2009 (the “Legal Metrology Act”)
- The Electricity Act, 2003 (“Electricity Act”)
- Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2023 (“CEA Regulations”)
- Mines and Minerals (Development and Regulation) Act, 1957 (“MMDR Act”)
- Jammu & Kashmir Minor Mineral Concession, Storage, Transportation of Minerals and Prevention of Illegal Mining Rules, 2016 (“J&K Rules”)
- The Indian Telegraph Act, 1885 (the “Telegraph Act”)
- The Explosives Act, 1884 (the “Explosives Act”)
- The Petroleum Act, 1934 (“Petroleum Act”) and Petroleum Rules, 2002 (“Petroleum Rules”)
- Foreign Trade (Development and Regulation) Act, 1992 (the “Foreign Trade Act”)
- The Environment (Protection) Act, 1986 (the “EP Act”), and Environmental Impact Assessment Notification, 2006 (“EIA Notification”)
- The Coastal Regulation Zone Notification, 2019 (“CRZ Notification”)
- The Boilers Act, 1923 (“BA Act”)
- The Air (Prevention and Control of Pollution) Act, 1981(the “Air Act”) and Air (Prevention and Control of Pollution) Rules, 1982 (“Air Rules”)
- The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) and Water (Prevention and Control of Pollution) Board, 1975 (“Water Rules”)
- Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”), as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 (“Amendment Rules”)
- The Noise Pollution (Regulation and Control) Rules, 2000 (“Noise Pollution Rules”)
- Building and Other Construction Workers’ (Regulation of Employment and Conditions of Service) Act, 1996 (“Construction Workers Act”)
- Buildings and Other Construction Workers’ Welfare Cess Act, 1996 (“BOCW Cess Act”)
- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 (“ISMW Act”)
- Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA Act”)
- Dock Workers (Regulation of Employment) Act, 1948 (“DWRE Act”)
- Dock Workers (Regulation of Employment) (Inapplicability to Major Ports) Act, 1997 (“Inapplicability to Major Ports Act”)
- Dock Workers (Safety, Health and Welfare) Act, 1986 (“DWSHW Act”) and Dock Workers (Regulation of Employment) Regulations, 1990 (“DWRE Regulations”)
- Apprentices Act, 1961 and Apprenticeship Rules, 1992;
- Child Labour (Prohibition and Regulation) Act, 1986; and Child Labour (Prohibition and Regulation) Rules, 1988;
- Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;
- Employees’ State Insurance Act, 1948;
- Employee’s Provident Fund and Miscellaneous Provisions Act, 1952;
- Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957;
- Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956;
- Industrial Employment (Standing Orders) Act, 1946;
- Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Act, 1988 as amended by Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Amendment Act, 2014;
- Equal Remuneration Act, 1976;
- Maternity Benefit Act, 1961;

- Minimum Wages Act, 1948;
- Payment of Gratuity Act, 1972;
- Payment of Bonus Act, 1965;
- Payment of Wages Act, 1936;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013; and
- Employee's Compensation Act, 1923 as amended by Employee's Compensation (Amendment) Act, 2017.
- Trade Marks Act, 1999 ("Trademarks Act") and the Trade Marks Rules, 2017 ("Trademarks Rules")

We have also examined compliance with the applicable clause of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings which have been complied by the Company.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. Filing of Draft Red Herring Prospectus:

Pursuant to the decision of the Board of Directors and the consent of the members of the Company accorded vide Postal Ballot on 17th March 2024 to the public issue and listing of equity shares of the Company through initial public offering ("IPO") in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Company has filed a Draft Red Herring Prospectus with Securities and Exchange Board of India on 28th March 2024. The proposed IPO is for ₹ 70,000 million consisting of Fresh Issue of ₹ 12,500 million and an Offer for Sale of ₹57,500 million by the Selling Shareholder , Goswami Infratech Private Limited, a Shapoorji Pallonji Group Company.

2. SHARE CAPITAL

(a) During the year under review the Compulsory Convertible Preference Shares of the Company held by Preference shareholders has been converted into equity shares as detailed below:

(i) On 13th January 2024, the 250,00,00,000, 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory, Preference Shares having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only) of the Company held by Goswami Infratech Private Limited, Shapoorji Pallonji Group Company has been converted into and allotted 24,65,40,258 Equity Share of the Company of the face value of ₹ 10/-.

(ii) On 13th January 2024, 10,00,00,000, 0.01% Non-Cumulative and Non-Profit Participatory Convertible Preference Shares having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,00,00,00,000 held by Floreat Investments Private Limited has been converted into and allotted 1,46,52,015 Equity Share of the Company of the face value of ₹ 10/- each.

(iii) On 14th February 2024, 10,00,00,000, 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,00,00,00,000 held by Shapoorji Pallonji and Company Private Limited has been converted into and allotted 75,75,758 Equity Share of the Company of the face value of ₹ 10/- each.

(iv) Pursuant to the aforesaid conversion of the Preference Shares into equity share, Goswami Infratech Private Limited has become the majority shareholder of the Company and has been categories as Promoter along with existing Promoters namely Shapoorji Pallonji and Company Private Limited and Floreat Investments Private Limited.

3. Pursuant to the conversion of the aforesaid Compulsory Convertible Preference Shares of the Company into Equity Shares, the total paid-up share capital of the Company as on 31st March, 2024 was ₹ 340,73,82,690/-.

4. Pursuant to the approval of the shareholders of the Company accorded vide Postal Ballot process on 17th March 2024, the Authorised Capital of the Company has been increased from ₹ 1,000 Crores to ₹ 1,750 Crores.

5. Pursuant to the approval of the shareholders of the Company accorded vide Postal Ballot process on 17th March 2024, the Company has altered the object clauses of Memorandum of Association of the Company.

6. Pursuant to the approval of the shareholders of the Company accorded vide Postal Ballot process on 17th March 2024, the Company has altered and adopted new set of Articles of Association of the Company as per Companies Act, 2013.

7. Company at its AGM dated 4th August 2023, has approved to create charges on the movable and immovable properties of the Company, both present and future, upto the limit of ₹ 30,000 Crores in respect of borrowings of the Company under the provision of section 180(1)(a) of Companies Act, 2013.

8. Company at its AGM dated 4th August 2023, has raised its borrowing limit to ₹ 5,000 Crores under the provision of section 180(1)(c) of Companies Act, 2013.

For Parikh Parekh & Associates
Company Secretaries
Signature:

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: F010619F000569837
PR No.: 723/2020

Place: Mumbai
Date: June 14, 2024

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

The Members

Afcons Infrastructure Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh Parekh & Associates
Company Secretaries
Signature:

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: F010619F000569837
PR No.: 723/202

Place: Mumbai
Date: June 14, 2024

Annexure II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **Brief outline on CSR Policy of the Company**

   Afcons' CSR Policy aims at implementing its CSR activities in accordance with section 135 of the Companies Act, 2013 and the Rules thereunder. The CSR Committee periodically reviews the implementation of the CSR activities of the Company. The CSR Policy is available on the website of the Company at www.afcons.com and the web link: https://www.afcons.com

2. **The Composition of the CSR Committee**:

Sl. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee	
			Held during the year	Attended during the year
1.	Mr. K . Subramanian	Executive Vice Chairman	2	1
2.	Mr. Pradip N. Kapadia*	Independent Director	2	2
3.	Mr. Umesh Khanna	Non-Executive Director	2	2
4.	Mr. Anurag Kumar Sachan*	Additional Independent Director	2	N.A.

   * Pursuant to the resignation tendered by Mr. Pradip N Kapadia noted by the Board of the Directors on 24th March 2024, Mr. Pradip N. Kapadia ceased to be director of the Company w.e.f. 25th March 2024. Also, the Board of Directors at its meeting held on 24th March 2024 had appointed Mr. Anurag Kumar Sachan as member of the Corporate Social Responsibility Committee.

3. **Web link(s) where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company**:

   - The composition of the CSR committee is available on our website, at https://www.afcons.com/en/investors.
   - The Committee, with the approval of the Board, has adopted the CSR Policy as required under section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at https://www.afcons.com

4. **Executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** NOT APPLICABLE

5. a. **Average net profit of the Company as per Section 135(5)**: ₹ 83.15 crore

   b. **Two percent of average net profit of the Company as per Section 135(5):** ₹ 1,66,30,620/-

   c. **Surplus arising out of the CSR projects or programs or activities of the previous financial years:** Nil

   d. **Amount required to be set-off for the financial year, if any**: ₹ 2,12,10,089/-*

   e. **Total CSR obligation for the financial year [(b)+(c)-(d)):** ₹ 1,66,30,620/-

   *Pursuant to the amount arrived based on the prescribed formula i.e. 2% of average net profit of the Company (excluding overseas branch profit) plus surplus arising out of CSR projects of the previous Financial years, there was mandatory requirement for CSR spending of ₹ 1,66,30,620/- in the financial year 2023-24. However, considering the amount of ₹ 2,12,10,089/- available for set-off from previous financial years against the CSR obligation of ₹ 1,66,30,620/- for the financial year 2023-24, the Company was not obligated to make any CSR contribution resulting in an excess CSR spend amount of ₹ 45,79,469/- of previous Financial years and ₹ 16,98,000/- for Financial year 2023-24 the cumulative amount of excess CSR spent is ₹ 62,77,469/- which is available for set off in succeeding financial years.

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

   Following amount was spent during the financial year by the Company on other than ongoing project

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District					Name	CSR Registration number
1.	Prime Minister's TB Free Mission.	Promoting health care including preventive health care.	No	New Delhi	New Delhi	4 Months	7,50,000/-	--	No	Indian Red Cross Society for Prime Minister's TB Free Mission	CSR00042144

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District					Name	CSR Registration number
2.	Ashramshala Project	Promoting education, including special education and employment enhancing vocation skills especially among children	Yes	Maharashtra	Padsare	1 year	5,61,000/-	-	No	Jnana Prabodhini	CSR00002565
3.	Ashramshala Project	Promoting education, including special education and employment enhancing vocation skills especially among children	Yes	Maharashtra	Padsare	1 year	3,87,000/-	-	No	Star Forum	CSR00019778
	Total	-	-	-	-	-	**16,98,000/-**	-	-	-	-

(b) Amount spent in administrative overheads: Nil

(c) Amount spent on impact assessment, if applicable: Not applicable

(d) Total amount spent for the financial year [(a)+(b)+(c)]: ₹ 16,98,000/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
Not applicable					

(f) Excess amount for set-off are as follows:

Sr. No.	Particular	Amount in ₹ 2023-24
(1)	(2)	(3)
1	Two percent of average net profit of the Company as per sub-section (5) of section 135	1,66,30,620
2.	Total amount spent for the Financial Year	16,98,000
3.	Excess amount spent for the financial year [2-1]*	NIL
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any *	NIL
5.	Amount available for set off in succeeding financial years [3-4]*	62,77,469

***** Pursuant to the amount arrived based on the prescribed formula i.e. 2% of average net profit of the Company (excluding overseas branch profit) plus surplus arising out of CSR projects of the previous financial years, there was mandatory requirement for CSR spending of ₹ 1,66,30,620/- in the financial year 2023-24. However, considering the amount of ₹ 2,12,10,089/- available for set-off from previous financial years against the CSR obligation of ₹ 1,66,30,620/- for the financial year 2023-24, the Company was not obligated to make any CSR contribution resulting in an excess CSR spend amount of ₹ 45,79,469/- which was still available for set-off in the subsequent financial years. Notwithstanding the same, the Company has spent an amount of ₹ 16,98,000/- on the CSR activities. Therefore, the cumulative amount of excess CSR spent as at the end of financial year 2023-24 is ₹ 62,77,469/- which is available for set off in succeeding financial years.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section 6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in Succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2020-21	Nil	Nil	Nil	Nil	-	Nil	Nil
2	2021-22	Nil	Nil	Nil	Nil	-	Nil	Nil
3	2022-23	Nil	Nil	Nil	Nil	-	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ **Yes** ✓ **No**

If yes, enter the number of Capital assets created/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) : Not Applicable

K . Subramanian
Executive Vice Chairman
DIN: 00047592
(Chairman CSR Committee)

S. Paramasivan
Managing Director
DIN: 00058445

MANAGEMENT DISCUSSION AND ANALYSIS

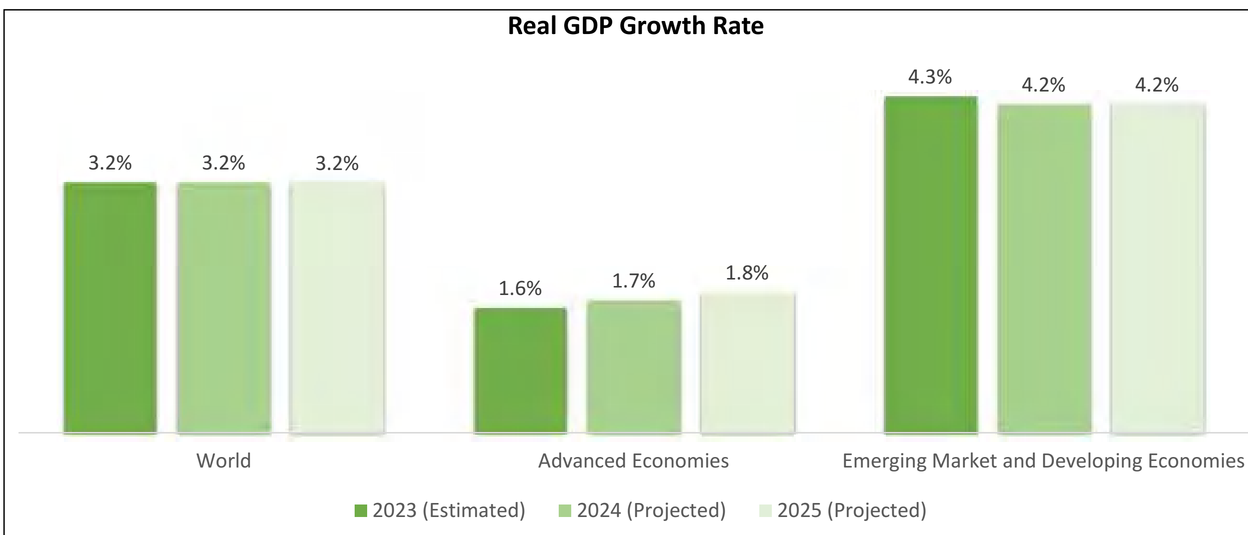
GLOBAL ECONOMY: OVERVIEW

The global economy has demonstrated remarkable resilience over the last year amidst a challenging environment. Economic activity has grown steadily, defying warnings of stagflation and a global recession. In recent years, the world faced several significant challenges, including supply chain disruptions in the aftermath of the pandemic, Russia-Ukraine war, a subsequent global food and energy crisis, considerable surge in inflation, and rising geopolitical tensions. While concerns about a global recession and a gloomy outlook were prevalent at the start of the previous year, these fears did not materialize. The global economy remained robust, exhibiting steady growth despite unprecedented levels of inflation. In late 2023, headline inflation neared its pre-pandemic levels in most countries, across advanced economies as well as emerging markets and developing economies.

The International Monetary Fund (IMF) projects that the global economy will grow at the rate of 3.2% in 2024 and 2025, the same pace at which it is estimated to grow in 2023. However, global economic outlook continues to face multiple headwinds, including persistent inflation above targeted ranges, elevated levels of public debt in major systemic economies, financial stability risks stemming from the transition from higher to lower interest rates, protracted geopolitical tensions including regional conflicts in the Middle East, and exacerbated climate risks. Despite these challenges, the global economy is poised to maintain its growth momentum. In 2024, several countries are expected to elect new national governments. Policymakers may postpone fiscal adjustment measures or introduce new expansionary policies such as tax cuts, increased fiscal transfers, and infrastructure investment, potentially bolstering economic growth. Additionally, a greater than expected decline in inflation expectations and further easing of global supply constraints could provide additional support to the economy.

Advanced economies are expected to slightly increase their growth rate from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. This is attributed to the recovery in euro countries from low growth in 2023. In Europe, stronger household consumption, as the effects of the energy price shock subside and inflation falls, and the recent reduction in interest rate by the European Central Bank, first time since 2019, is anticipated to drive growth recovery. Emerging market and developing economies are forecasted to maintain stable growth of 4.2% through the current and next year. A slight moderation in growth in emerging and developing Asia is likely to be offset by rising growth in the Middle East, Central Asia, and sub-Saharan Africa. With the improvements in supply chains and the subsiding negative effects of earlier weather shocks, sub-Saharan Africa is projected to sustain its growth momentum in 2024 and 2025.

The near-term priority of the central banks is to ensure a smooth reduction in inflation. Monetary policies are likely to be neither eased too prematurely nor delayed too long. Multilateral cooperation is essential to mitigate the costs and risks of geoeconomic fragmentation, accelerate the transition towards addressing climate change, and encourage debt restructuring. The global economy has shown exceptional resilience and adaptability in the face of recent challenges, laying a solid foundation for a positive growth trajectory. This growth is underpinned by a robust economic recovery, infrastructure development, strong trade and investment, sustainable initiatives, and technological advancements. As the world continues to navigate challenges and uncertainties, the underlying strength and adaptability of the global economy offer a promising outlook for the future.

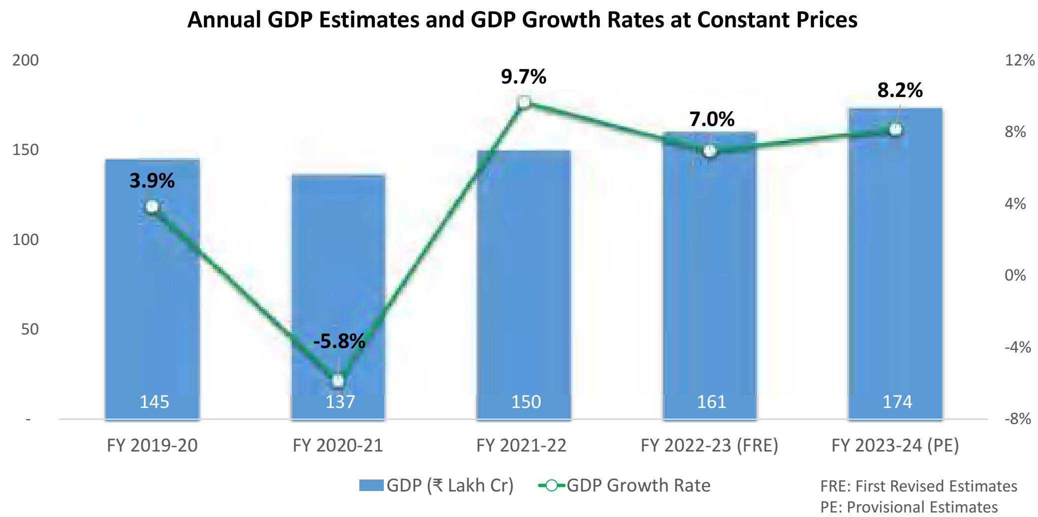


Source: World Economic Outlook Apr 2024, IMF

INDIAN ECONOMY: OVERVIEW

According to the provisional estimates of the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), Indian economy grew by a real GDP rate of 8.2% in FY 2023-24, a significant increase from the previous year's 7.0%. Real Gross Value Added (GVA) is estimated to grow by 7.2% in FY 2023-24, compared to 6.7% in FY 2022-23. This robust growth comes despite global economic headwinds such as prolonged geopolitical tensions, volatile global financial markets, and subdued global demand. The achievement of growth rate of 8.2% in the last financial year is significant. It is the first instance of growth surpassing 8% since FY 2016-17, excluding the 9.7% growth in FY 2021-22 which was influenced by a low base effect. Moreover, this marks the third consecutive year of growth above 7%, showcasing the resilience of Indian economy against global economic headwinds. Robust fixed investment was the major driver for the domestic demand, supported by the government spending on infrastructure development. Furthermore, there has been improvement in the fiscal deficit, with the gross fiscal deficit declining to 5.9% of GDP in FY 2023-24 (revised estimates) compared to 6.4% in the previous year as per RBI. This containment in fiscal deficit was facilitated by a modest increase in revenue spending of only 2.5%, while capital expenditure continued to grow at a double-digit pace, reflecting the government's ongoing focus on infrastructure.

The Reserve Bank of India (**RBI**) has forecasted the Indian economy to grow by 7% in FY 2024-25. The central bank remains optimistic about the economic outlook, citing the sustained strengthening of macroeconomic fundamentals, a robust financial and corporate sector, and a resilient external sector. Consumer and business confidence, coupled with the government's continued focus on developing the country's infrastructure through thrust on capital expenditure, bodes well for investment and consumption demand. Despite the positive outlook, the Indian economy faces several downside risks, including geopolitical tensions, geoeconomic fragmentation, global financial market volatility, international commodity price fluctuations and erratic weather patterns. However, India is well positioned to accelerate its growth trajectory in the coming years by leveraging the macroeconomic and financial stability to achieve long-term developmental goals. With strong macroeconomic fundamentals and strategic government policies focused on sustained investment and infrastructure development, India is poised to remain the fastest-growing major economy in the world.

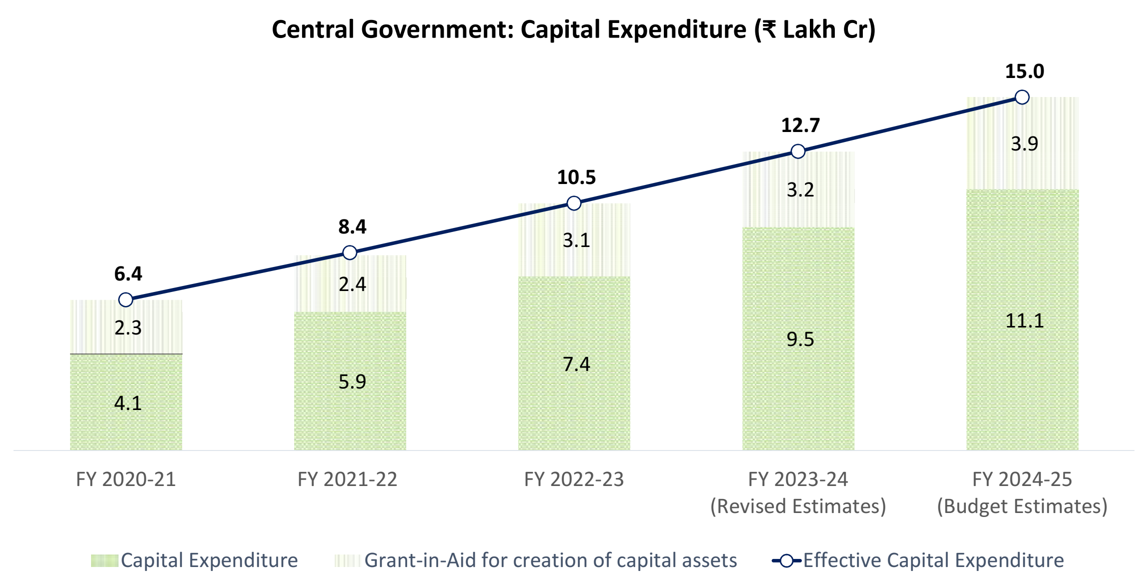


Based on annual estimates of GDP at constant prices, 2011-12 series

Source: The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI)

INTERIM UNION BUDGET FY 2024-25

The Interim budget for FY 2024-25 continues the government's unwavering focus on infrastructure development. Capital expenditure has been increased by 11.11% to ~ ₹ 11.11 Lakh Crores, accounting for around 3.4% of the GDP. Including the Grants-in-aids for creation of capital assets, the effective capital expenditure budgeted for current year stands at record ₹ 15 Lakh Crores. Major outlay is provided towards roads and railways, consistent with previous years' allocations. Over the past several years, the government has consistently increased capex, with capital outlay nearly tripling in the past four years. This strategic approach is aimed at harnessing the multiplier impact of capital expenditure on economic growth and employment generation. The interim budget also places strong emphasis on climate change with focus on sustainable development and green energy initiatives while adhering to India's commitments of Net Zero goals. By integrating environmental sustainability into its development agenda, Indian economy is committed to foster a greener and more resilient economy for future generations.



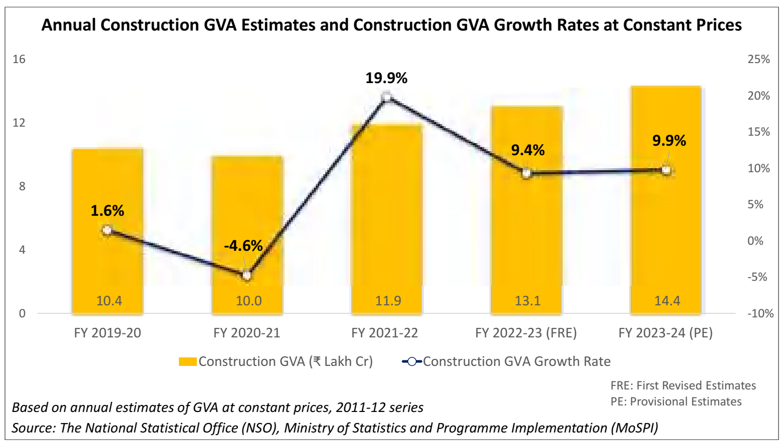
Source: Budget documents

INDIAN CONSTRUCTION INDUSTRY

The construction sector holds immense significance in India, contributing significantly to the country's economic activity and serving as a major source of employment across rural and urban areas. It has emerged as a vital pillar of India's economic development, demonstrating robust growth and considerable potential. The Indian construction industry is the second largest employment generator in India, next to agriculture, according to various reports. As the sector is expected to continue its expansion, employment opportunities are anticipated to increase, supporting the livelihood of significant portion of the workforce.

According to the provisional estimates of NSO, the construction industry accounted for approximately 9% of the overall Gross Value Added (GVA) for FY 2023-24, experiencing a real growth rate of 9.9% compared to the previous year. Notably, the construction industry was the fastest growing sector in the GVA in the last fiscal.

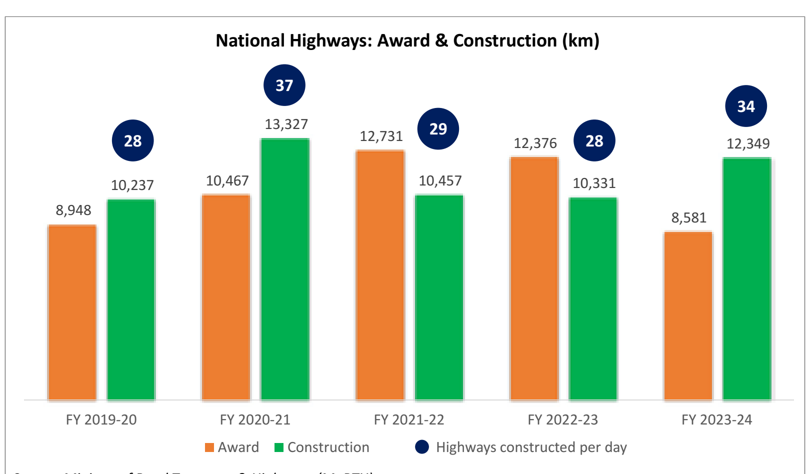
The construction sector's robust performance underscores its vital role in driving economic growth, creating employment opportunities, and fostering socio-economic development across the country. As India embarks on ambitious infrastructure projects and urbanization initiatives, the construction industry is poised to play an even more significant role in shaping the nation's future landscape. Continued investments in infrastructure development, coupled with supportive policies and innovation, will further strengthen the domestic construction sector.



SURFACE TRANSPORT

Road construction has experienced significant growth over the past several years, with notable achievements in both highways and rural roads. The Ministry of Road Transport and Highways (MoRTH) constructed 12,349 km of national highways in the financial year 2023-24, second highest in its history and a 20% growth over last year. It effectively translated to constructing around 34 km of highways per day, substantial increase from 28 km per day in the previous year. NHAI also recorded its highest ever construction of national highways at 6,644 km, surpassing its target of 6,544 km. The road ministry spent almost 100% of its allocated revised capital expenditure of ~ ₹ 2.65 Lakh Crores in the last fiscal. Total capex spent for highways touched ₹ 3 Lakh Crores including private sector investment. However, award of new highway projects declined to 8,581 km, lowest in last five years, against a target of 13,290 km. This decline was expected due to the typical slowdown in project awards in the financial year preceding the Lok Sabha elections. Furthermore, the delay in cabinet approval for the revised Bharat Mala program contributed to the shortfall in project award. Despite muted awards, MoRTH plans to ramp up project awarding in the current year, aiming to complete Detailed Project Reports (DPRs) for approximately 10,000 km of highways post-elections results.

The interim budget allocated ₹ 2.78 Lakh Crores to MoRTH for road building in FY 2024-25, a slight increase of 3% over the last year. Budgeted outlay for NHAI was hiked to ₹ 1.68 Lakh Crores for current year. This rise in budgetary allocation to the NHAI was in line with the government's strategy of recapitalizing the balance sheet of NHAI with higher budgetary support and no external borrowings from the market. There has been no provision of market borrowings for NHAI, third consecutive year without market borrowings, in line with government focus of paring down debt of NHAI. Government is looking to bring down NHAI debt to ₹ 1 Lakh Crores by 2024-25.



Along with central government, state governments are also focused on developing state expressways. Several states have significant expressway projects under construction and are further planning to develop new expressways to enhance regional connectivity. India is prioritizing development of access-controlled, multi-lane expressways. Further, there are huge opportunities of large value bridges, road tunnels in the country.

Border connectivity is one of the strategic focus areas of the Indian government. The budget expenditure of Border Roads Organisation (BRO) reached a record high of ₹ 12,340 Crores in FY 2022-23. The Interim budget FY 2024-25 increased the capital outlay to BRO to ₹ 6,500 Crores, 30% higher than the previous year.

The interim budget FY 2024-25 allocated ₹ 2.55 Lakh Crores to Indian Railways, a 5.8% increase over the previous year. It supports several ambitious initiatives aimed at enhancing the railway infrastructure and boosting the economy. Three major economic railway corridor programmes are targeted to be implemented as per interim budget. The three corridors are-Energy, mineral and cement (Energy Economic Corridor); Port connectivity (Rail Sagar Corridor); High traffic density (Amrit Chaturbhuj). These programs will enable multi-modal connectivity and improve logistics efficiency. The government aim to lay about 40,000 km of new rail track under these three corridors which will significantly increase railway capacity. Approximately ₹ 11 Lakh Crores is expected to be invested in these three corridor programs over nine years period. 434 projects are planned to be implemented to increase the capacity of the running trains and eliminate problems of wait-listed tickets. These corridors along with the Dedicated Freight Corridor (DFC) is intended to accelerate GDP growth and bring down overall logistics cost.

URBAN INFRASTRUCTURE

Metro Rail Transit Systems (MRTS) are playing a crucial role in addressing the transportation needs of India's rising middle class and managing the rapid urbanization across the country. MRTS acts as catalysts for urban transformation by providing efficient, reliable, and eco-friendly transportation solutions. As of Jan'24 daily ridership across metro systems in the country has surpassed 10 million and is expected to rise to 12.5 million within the next one to two years. This surge in ridership underscores the growing reliance on metro rail for daily commuting in urban areas.

Central and state governments have shown strong commitments to strengthen the urban transport networks across the country. Central government has highlighted that India's metro network is currently the third largest in the world. With ongoing expansions, it is expected to surpass USA to become the second largest metro network globally within the next 2-3 years. As of Oct'23, around 874 km of metro rail is operational across 20 cities in India. Additionally, approximately 986 km of metro network is under construction in various cities. The domestic metro market presents immense opportunities for construction companies.

Metro Rail Network in India

Operational	Under Construction
Delhi & NCR: 393 km	Delhi & NCR: 176 km (including 82 km of Delhi-Meerut RRTS Corridor)
Mumbai, Nagpur & Pune: 130 km	Mumbai, Nagpur & Pune: 275 km
Bangalore: 74 km	Chennai: 119 km
Hyderabad: 69 km	Bangalore: 99 km
Chennai: 54 km	Kolkata: 85 km
Kolkata: 48 km	Ahmedabad, Gandhinagar & Surat: 70 km
Ahmedabad: 39 km	Bhopal & Indore: 59 km
Lucknow & Kanpur: 32 km	Agra & Kanpur: 53 km
Kochi: 28 km	Patna: 33 km
Jaipur: 12 km	Kochi: 12 km

Source: PIB Press Release (Oct'23) by Ministry of Housing & Urban Affairs

MARINE & INDUSTRIAL

India's maritime sector is extensive, with 12 major ports owned and managed by central government, over 200 non-major ports owned and managed by state governments, and several private ports situated along its 7,500 km long coastline. Additionally, India has a vast network of approximately 14,500 km of navigable waterways. This sector plays a crucial role in India's trade and economic growth, with around 90% of the total trade by volume and about 65% by value flowing through ports.

Ministry of Ports, Shipping & Waterways (MoPSW) unveiled the ambitious Maritime AmritKaal Vision 2047 in Oct'23, focusing on transforming India's maritime sector. This vision aligns with the Indian government's goal of establishing a Blue Economy as one of the ten core dimensions of economic growth. The vision encompasses over 300 initiatives and action points across 11 key themes aimed at enhancing the country's ports, shipping, and waterways by 2047. It entails investment of ~ ₹ 80 Lakh Crores and is expected to generate 3.5 to 4 Crores additional jobs. The government plans to augment the capacity of existing ports and develop new world-class mega ports. The vision includes development of four port clusters with capacity of more than 300 million tonnes per annum and two port clusters with capacity of more than 500 million tonnes per annum. Currently, Indian container berths have maximum drafts of around 16 meters, compared to the 18–19 meter drafts of major international ports. To accommodate higher capacity container vessels, drafts at major ports are planned to be increased by 2-3 meters.

HYDRO & UNDERGROUND

The Central Electricity Authority (CEA) of India estimates that the country has a hydroelectric power potential of 145 GW, of which only 29% has been developed. This indicates a substantial untapped potential in the hydro power sector. India has set a target of 500 GW of installed electricity generation capacity from non-fossil sources by 2030, reduce the emission intensity of its GDP by 45% by 2030 (from 2005 level) and achieve net zero carbon emissions by 2070. Hydropower, particularly Pumped Hydropower Storage Projects (PSPs), is expected to play important role in achieving these targets. The CEA estimates on-stream PSP potential of around 103 GW in India. PSP capacity is expected to increase from 4.7 GW to around 55 GW by 2031-32. Several central public sector undertakings (PSUs) and state governments have announced numerous PSPs, presenting significant opportunities for hydro construction players. The government has taken several steps to promote the sector. The CEA has published revised guidelines for the formulation and concurrence of Detailed Project Reports (DPRs) for PSPs. The timelines for concurrence of DPRs for various categories of PSPs have been reduced from 125-90 days to 60-50 days. These measures aim to streamline project approvals and accelerate the development of hydroelectric projects in the country.

The interim union budget allocated ₹ 98,418 Crores to the Ministry of Jal Shakti for FY 2024-25. The budgetary focus was primarily directed towards the Jal Jeevan Mission (JJM), a flagship initiative aimed at providing safe and adequate drinking water to all rural households in India by 2024. Out of the total allocation, ₹ 69,926 Crores was earmarked for JJM, underlining the government's commitment to accelerating rural water supply infrastructure development. According to data from the Jal Jeevan Mission website, as of 11th Jun'24, significant progress has been made towards achieving the mission's objectives. Out of approximately 19.31 Crores rural households in India, around 14.85 Crores households, constituting approximately 77%, have been provided with tap water connections under the JJM.

Jal Jeevan Mission – Status of households with tap water connection

States / Union Territories – Households with tap water supply (100% achieved)	States / Union Territories – Households with tap water supply (%)		States / Union Territories – Households with tap water supply (%)	
Goa	Bihar	96.3%	Assam	79.0%
A & N Islands	Uttarakhand	94.7%	Meghalaya	78.6%
D&NH and D&D	Ladakh	92.8%	Chhattisgarh	78.2%
Haryana	Nagaland	90.0%	Karnataka	77.2%
Telangana	Sikkim	88.7%	Andhra Pradesh	73.4%
Puducherry	Lakshadweep	88.6%	Odisha	73.3%
Gujarat	Maharashtra	85.9%	Madhya Pradesh	62.9%
Punjab	Uttar Pradesh	83.5%	Jharkhand	53.6%
Himachal Pradesh	Tamil Nadu	83.3%	Kerala	53.0%
Arunachal Pradesh	J&K	80.6%	Rajasthan	49.7%
Mizoram	Tripura	80.5%	West Bengal	48.8%
	Manipur	79.2%		

Source: Jal Jeevan Mission website (accessed on 11th June 2024)

Indian government has accorded significant importance to the inter-linking of rivers (ILR) program. National Water Development Agency under Ministry of Jal Shakti has identified 30 inter-linking of rivers projects – 16 under Peninsular component and 14 under Himalayan component. Pre-feasibility reports of all the 30 projects have been completed, while feasibility reports of 24 projects and DPRs of 11 projects have been completed. ILR program offers significant opportunities to the construction players.

OIL & GAS

India is one of the largest markets of Oil & Gas in the world. It is world's 3rd largest energy consumer, 3rd largest oil consumer, 3rd largest LPG consumer, 4th largest LNG importer, 4th largest refiner. State-owned Public Sector Undertakings (PSUs) are poised to play a pivotal role in driving investments in the oil & gas sector. These PSUs are projected to invest approximately ₹ 1.2 Lakh Crores in FY 2024-25 towards oil & gas exploration, refineries, petrochemicals, and pipelines laying. This investment forecast represents a 5% increase compared to the previous fiscal year, indicating sustained momentum in sectoral growth and development.

In line with its commitment to energy transition and sustainability, the Indian government has set a target of raising the share of natural gas in energy mix to 15% in 2030, compared to 6.3% in 2023. $ 67 billion of investments in natural gas is expected in next 5-6 years, which is likely to increase natural gas consumption by over three-fold, from present levels of 155 MMSCD (million metric standard cubic meters per day) to 500 MMSCD by 2030. Government has taken several initiatives to support the growth of the natural gas sector, including the expansion of National Gas Grid, expansion of City Gas Distribution network, and setting up of LNG terminals across strategic locations.

GLOBAL CONSTRUCTION INDUSTRY

The global construction industry is anticipated to maintain its growth trajectory over the coming years. According to Fitch Solutions, real growth in the global construction industry was recorded at 0.8% in 2022, with an estimated growth of 3.2% in 2023. The industry is projected to grow at 2.8% in 2024 and a further expansion of 2.9% in 2025. Despite facing challenges such as monetary tightening policies leading to higher financing costs, the construction sector is expected to sustain its upward path.

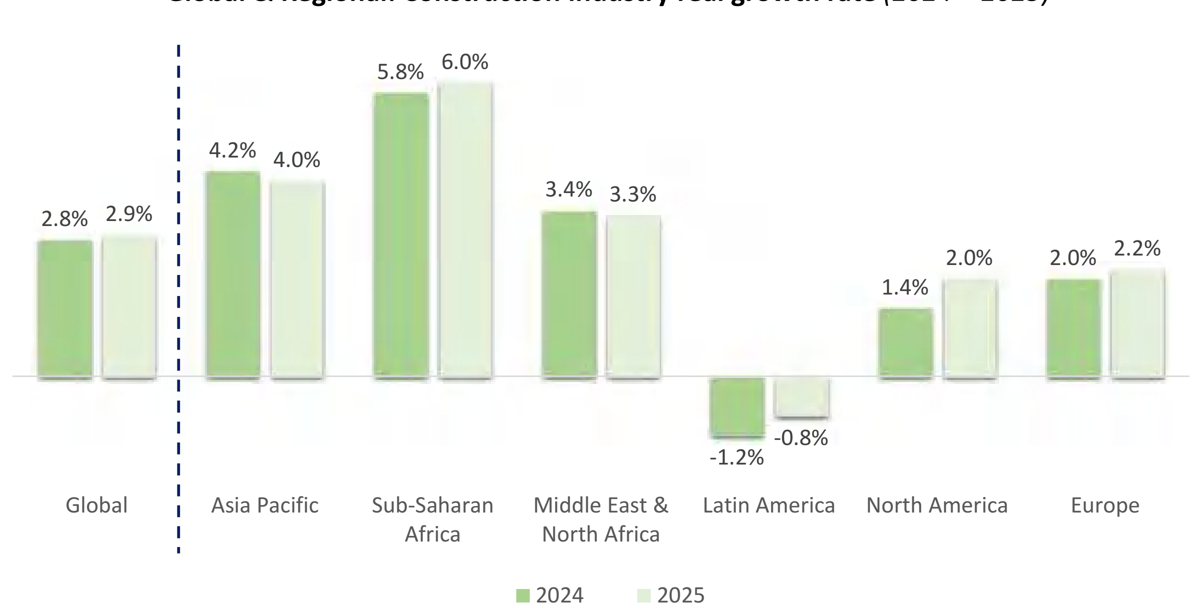
In the sub-Saharan Africa (SSA) region, the construction industry is expected to lead the global growth, with projections of a 5.8% growth rate in 2024 and 6.0% in 2025. This growth will be supported by high infrastructure investments in several SSA countries, growing middle classes, a robust demographic outlook characterized by a booming population, and accelerating urbanization driving demand for transport, energy, and residential construction. Within SSA, East and West Africa are poised to lead construction activity while Southern Africa growth prospect remains relatively muted. Countries like Tanzania, Rwanda, Cote d'Ivoire are projected to be the fastest growing countries in terms of construction output driven by ambitious transport infrastructure investments programs. African Development Bank (AfDB) estimated Africa's infrastructure investment at more than $ 100 billion per year. Private investment in the form of public-private partnership is crucial to close the financing gap for infrastructure development in Africa. Private investments in developing infrastructure to support minerals exports from Africa offers significant construction opportunities. Several African countries have imposed export restriction on raw minerals to promote local processing and move up the value chain. Partnership for Global Infrastructure and Investment (PGII) by G-7 countries have committed support for multi-billion-dollar infrastructure projects across Africa to realise the continent's economic potential and transformation. PGII intends to support development of Lobito Economic Corridor, a stretch of railway infrastructure connecting Angola, the Democratic Republic of the Congo and Zambia. Indian government has supported infrastructure and economic development in Africa through Lines of Credit (LOCs). Africa is 2nd largest recipient of India's development funds. EXIM Bank of India has extended over 200 LOCs on behalf of Government of India to 42 African countries aggregating over $ 12 billion.

Asia-Pacific construction industry is forecasted to grow by 4.2% in real terms in 2024 and 4.0% in 2025. While China's construction sector is expected to exhibit relatively subdued performance, growth in the Asia-Pacific region will be supported by India and Southeast Asian countries. Heightened investments in the manufacturing sector are anticipated to boost construction demand in ASEAN countries. The region offers significant opportunities of the railway projects, including high-speed rail, freight rail, metro, and light rail.

In the Middle East and North Africa (MENA) region, the construction industry is forecasted to grow by 3.4% in 2024 and 3.3% in 2025. Infrastructure projects related to long term economic diversification in the Middle East will continue to drive infrastructure development, unaffected by ongoing tensions in the region. The growth outlook is expected to remain resilient despite rising geopolitical risk, with GCC countries and Egypt maintaining growth momentum. The cross-continental India-Middle East-Europe Corridor (IMEC) presents significant opportunities of construction projects. IMEC, a joint program involving countries such as India, US, UAE, Saudi Arabia, Italy, France, Germany, and other EU countries, aims to develop transport corridors, digital connectivity, and energy corridors. This corridor is expected to reduce dependence on the Suez Canal and provide a faster route for trade between India, Middle East, and Europe.

Latin American markets are expected to witness a contraction in construction activity, with a projected decline of 1.2% in 2024 and 0.8% in 2025. This downturn is attributed to elevated levels of interest rates and a slowdown in construction activity in Mexico, the region's largest construction market. In North America, the construction market is likely to grow by 1.4% in 2024 and 2.0% in 2025, driven by robust expansion in manufacturing construction and significant public investment supported by the loosening monetary policy. The European construction industry is projected to grow by 2.0% in 2024 and 2.2% in 2025.

Global & Regional: Construction industry real growth rate *(2024 – 2025)*



Source: Fitch Solutions

BUSINESS OVERVIEW

Afcons procured new projects worth ₹ 7,783 Crores in FY 2023-24. The pending order book position of the company of ₹ 30,961 Crores as on the start of the financial year 2024-25 provides a healthy revenue visibility over medium term. The order book is diversified across segments and countries providing steady revenues.

Construction activity in the domestic market is projected to remain robust with significant opportunities present across infrastructure segments. Several challenges faced by the industry continues to subside, prominently being the elevated input prices and easing up of supply chain issues, supporting the healthy outlook in the ongoing FY 2024-25. On the overseas front, Afcons continues to focus on its internationalization drive. Projects are being explored in current geographies to maintain business continuity in the existing countries while also targeting opportunities in several new countries across various region.

The company has continued be recognized on the international forums. Engineering-News Record (ENR), a US based magazine, ranked Afcons as the 10th largest international Marine and Ports Contractor in the World, 12th Global Bridges Contractor in the world, 42nd largest Global Transportation Contractor, 18th Transmission Lines & Aqueducts and 43rd in Water Supply in the world. Afcons was ranked 120th in Top 250 International Contractors in ENR 2023 rankings.

The company was accorded the status of Five Star Export House in accordance with the provisions of the Foreign Trade Policy 2023 by the Ministry of Commerce and Industry, Government of India.

Afcons focus on innovation and knowledge management has been appreciated and recognized at global levels. Afcons had won the Most Admired Knowledge Enterprise (MAKE) award in 2016 and 2017 at three levels-India, Asia and Global. In 2018, the MAKE award was replaced by the MIKE (Most Innovative Knowledge Enterprise) award. The company won the MIKE award from 2018 to 2023 at Global and India levels. In 2023, Afcons also won the Most Outstanding Global MIKE Award, awarded to the organizations that have surpassed the standard criteria showcasing outstanding performance in their fields.

RISK AND CONCERNS

A. Global Events

- Protracted and continued Russia-Ukraine war can keep commodity prices at elevated levels and impact energy supplies and geopolitical stability.
- Geopolitical risks and tensions flaring up in Middle East can disrupt global oil & gas supply, increase logistics costs for several overseas locations.
- Disputes amongst major economies can impact supply chains and material costs.
- Increasing frequency of natural disasters due to climate change can affect global supply chains and project timelines.
- Implementation of protectionist policies and waning of globalization due to rising trade barriers and reduced international collaboration can impact international trade.
- New international regulatory regulations impacting trade, environmental standards, and labour laws.
- Stricter global environmental regulations increasing compliance costs and affecting project schedules.
- Increasing energy and commodities prices further stoking inflation.
- Rising interest rates on account of hawkish stand of central banks to curb rising prices can deter economic growth.
- Prolonged economic downturn across countries can severely hamper business opportunities and cause contagion risks.
- Significant overhang of debt restructuring and sovereign debt default in certain countries can result in financial instability and may affect government spending on infrastructure.
- Flight of capital from developing countries can result in capital outflows destabilizing emerging markets.
- Diversion of funds from infrastructure projects towards social and health sectors.

B. Domestic Events

- Significant inflation in critical input materials prices like steel and cement can impact profitability of contractors.
- Persistent uncertainty around global economic growth and financial stability can negatively influence domestic economic growth.
- Sub-par monsoon seasons could trigger drought conditions, decrease agricultural activity, and stoke inflation fear.
- Changes in lending norms and provisioning requirements by the RBI could impact financing costs and project viability.
- Slow investment rates, marked by a disparity between investment intentions and actual project execution, can lead to challenges for domestic growth.
- Continued aversion by banks and financial institutions for lending to EPC companies.
- Shortage of key construction materials due to supply chain issues or export restrictions.
- Non-release of blocked up funds by government clients on account of arbitration.
- Unjust and one-sided contractual conditions set by certain clients.
- Shortage of skilled and semi-skilled labour at construction sites.
- Local community issues such as land acquisition, local protests and community relations can impact project timelines.
- Foreign currency exchange risk on account of volatility in currency fluctuations.

OUTLOOK

The outlook of construction market in India and targeted overseas geographies remains highly optimistic. Indian construction industry is poised for significant growth driven by several key factors such as continued government support on infrastructure development, rising urbanization, overall economic growth, industrial development with strong focus on developing manufacturing capabilities, focus on improving logistics. Internationally, targeted countries in Africa, Neighbouring countries, Middle East, Eastern Europe continues to provide significant opportunities for the company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The Company is maintaining an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and ensuring compliance with all laws and regulations. The internal control system is managed through continuous internal audit by external professionals who conduct audits of Project sites of the Company throughout the year to test the adequacy of the internal systems and suggest continual improvements. All significant audit observations and follow up actions are reported to the Audit Committee along with Internal Audit reports and management responses/replies thereon. Operational control exists through well laid out system of checks and balances and hierarchy of reporting from site level to central management groups to the senior management and the Directors.

HUMAN RESOURCES DEVELOPMENT

The Company's dedication to Human Capital management sets a benchmark in the Infrastructure Industry, with a strong emphasis on employee engagement and development. The commitment to training and development initiatives across various organizational levels underscores a culture of continuous improvement. The trend analysis highlights the company's success in maintaining high productivity, stable employee numbers, and low attrition rates compared to industry competitors.

Our HR policy is guided by the company's mission, focusing on several key strategic imperatives:

- **Transnational Presence**: Embracing diversity with employees from over 20+ nationalities across projects in more than 13 countries, Afcons prioritizes equal opportunity and gender equality. Notably, the company employs over 100 local women in overseas projects, setting a positive precedent in the infrastructure industry.
- **Innovation**: The company adopts digitalization across all HR processes, from recruitment to separation, ensuring readiness for future Human Capital requirements.
- **Value Creation**: Aligning employees with the organization's strategy and goals through unique engagement initiatives, Afcons ensures that employees understand the company's strategic direction and are committed to its success.
- **Empowered and Engaged Employees**: Active participation in community engagement activities and initiatives like the monthly project magazine "Anubandh" and the "Wall-Of-Unity" at all projects demonstrates a commitment to boosting employee morale and engagement. The company's strong presence on social media platforms further enhances its reputation and engages a wide audience.
- **Adoption of Latest Technologies**: The adoption of the latest technologies in HR can revolutionize various aspects of human resource management, leading to increased efficiency, enhanced employee experience, and better decision-making.
- **Operational Excellence**: Renewed focus on Operational Excellence in Afcons Infrastructure Ltd signifies a commitment to optimizing processes, enhancing efficiency, and driving continuous improvement across all facets of operations. This renewed emphasis aligns with the company's overarching goal of delivering high-quality projects while maximizing value for stakeholders.

The Company's ongoing efforts to provide a professional, congenial, and safe work environment, coupled with opportunities for personal growth and development, contribute to a positive experience for employees. By upholding values such as Deep Dive, Excellence, Collaboration, Ethics & Integrity, and Embrace Challenge—collectively known as 'The Afcons Way'—the company fosters a culture of success and achievement in every project. As Afcons continues to innovate and positively influence its employees and stakeholders, it remains committed to delivering excellence and enriching experiences to everyone within the Afcons family.

CAUTIONARY STATEMENT

The statement in Management Discussions and Analysis describing the Company's operations and expectations are "forward looking statements". Actual results may differ owing to environmental dynamics.

REPORT ON CORPORATE GOVERNANCE

I. CORPORATE GOVERNANCE PHILOSOPHY

The Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success.

II. BOARD OF DIRECTORS

a. Composition

During the financial year ended 31st March, 2024, the Board of Directors of the Company **("Board")** comprised of Ten (10) Directors out of which Three (3) were Executive Directors and the remaining seven (7) were Non-Executive Directors {including Five (5) Independent Directors}. The Chairman of the Board is Non-Executive Director. The composition of the Board is in conformity with the Companies Act, 2013 **("Act")** read with Rules issued thereunder.

During the financial year 2023-24, Mr. Pallon Shapoorji Mistry (DIN: 05229734), Ms. Roshen Minocher Nentin (DIN: 00004884), Mr. David Paul Rasquinha (DIN: 01172654) and Mr. Pradip Narotam Kapadia (DIN: 00078673) ceased to be Directors of the Company w.e.f. 12th March, 2024, 12th March, 2024, 24th March, 2024 and 25th March, 2024 respectively.

Further following Additional Director (Independent & Non-Executive) were appointed subject to their appointment as Independent Director being approved by Members at the ensuing Annual General Meeting:

Sr. no.	Name of Director	DIN	Date of Appointment
1.	Mr. Sitaram Janardan Kunte	02670899	12th March, 2024
2.	Mr. Anurag Kumar Sachan	08197908	12th March, 2024
3.	Ms. Rukhshana Jina Mistry	08398795	12th March, 2024
4.	Mr. Atul Sobti	06715578	24th March, 2024
5.	Mr. Cherag Sarosh Balsara	07030974	24th March, 2024

All the Directors possess the requisite qualifications & experience in Industry, Management, Finance, Research, Law and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

b. Board meetings and Attendance

During the financial year 2023-24, Nine (9) Board Meetings were held i.e. on 16th June, 2023, 19th July 2023, 04th August, 2023, 24th November 2023, 05th January, 2024, 14th February, 2024, 12th March, 2024, 18th March, 2024 and 24th March, 2024. Out of the above, the Board meetings held on 05th January, 2024, 14th February, 2024, 12th March, 2024 and 24th March, 2024 were held through Video Conferencing and the Board meeting dated 16th June, 2023, 19th July, 2023, 04th August, 2023, 24th November, 2023 and 18th March, 2024 were held in physical mode.

The notices for the Board Meetings and the detailed agenda papers were circulated to all the Directors well in advance to enable them to attend and take an informed decision at the meetings.

The minutes of the proceedings of each Board and committee meetings are properly recorded and entered into the minutes book of the Company.

There is an effective post-meeting follow-up, review and reporting process for decisions taken by the Board.

None of the Directors are members of more than Ten (10) Board level committees nor are they Chairman of more than Five (5) committees in which they are members.

The name and category of the Directors on the Board, their attendance at the Board meetings during the year and at the last Annual General Meeting, as also the number of Directorship & Committee memberships held by them in other public companies are given below:

Name of the Director	Category	Total no. of Board Meetings during the year 2023-24		No. of other Directorship(s) in other Public co.[1]	No of Committee position held in other Public co.[2]		Whether attended last AGM held on 04.08.2023
		Held	Attended	Member	Chairman	Member	
Mr. Shapoorji P. Mistry	Chairman, Non-Executive Director	9	5	-	-	-	Yes
Mr. K . Subramanian	Executive Vice Chairman	9	7	-	-	-	Yes
Mr. Pradip Kapadia$	Independent Director	9	9	6	2	5	Yes
Mr. David Paul Rasquinha$	Independent Director	9	8	3	1	1	Yes
Mr. Sitaram Janardan Kunte@	Additional Independent Director	9	3	3	1	-	NA
Mr. Anurag Kumar Sachan@	Additional Independent Director	9	3	-	-	-	NA

Name of the Director	Category	Total no. of Board Meetings during the year 2023-24		No. of other Directorship(s) in other Public co.[1]	No of Committee position held in other Public co.[2]		Whether attended last AGM held on 04.08.2023
		Held	Attended	Member	Chairman	Member	
Ms. Rukhshana Jina Mistry@	Independent Director	9	3	2	1	2	NA
Mr. Umesh Narain Khanna	Non-Executive Director	9	8	1	-	1	Yes
Mr. Pallon S Mistry*	Non-Executive Director	9	6	1	-	-	Yes
Ms. Roshen M Nentin*	Non-Executive Director	9	6	-	-	-	Yes
Mr. S. Paramasivan	Managing Director	9	9	-	-	-	Yes
Mr. Giridhar Rajagopalan	Deputy Managing Director	9	6	-	-	-	Yes
Mr. Atul Sobti#	Additional Independent Director	9	1	-	-	-	NA
Mr. Cherag Sarosh Balsara#	Additional Independent Director	9	1	2	-	-	NA

Note 1:

1. Excludes Directorship in association, Private Companies, Foreign Companies & Companies registered under section 8 of the Act.
2. Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee in other Public Companies have been considered.

   * Mr. Pallon Mistry and Ms. Roshen Nentin ceased to be directors w.e.f. 12th March, 2024.

   @ Mr. Sitaram Janardan Kunte, Mr. Anurag Kumar Sachan and Ms. Rukhshana Jina Mistry were appointed as Additional Independent Director of the Company w.e.f. 12th March, 2024 subject to their appointment as Independent Director at the ensuing Annual General Meeting.

   $ Mr. David Paul Rasquinha and Mr. Pradip Kapadia ceased to be directors w.e.f. 24th March, 2024 and 25th March, 2024 respectively.

   # Mr. Atul Sobti and Mr. Cherag Sarosh Balsara were appointed as Additional Independent Director of the Company w.e.f. 24th March, 2024 subject to their appointment as Independent Director at the ensuing Annual General Meeting.

Note 2:

During the year under review four circular resolutions were passed by the Board as under:

- 1/2023-24 dated 25th September, 2023 duly approved on 26th September, 2023
- 2/2023-24 dated 20th November, 2023 duly approved on 21st November, 2023
- 3/2023-24 dated 23rd February, 2024 duly approved on 23rd February, 2024 and
- 4/2023-24 dated 27th March, 2024 duly approved on 27th March, 2024

III. AUDIT COMMITTEE

a. The Audit Committee of the Company was constituted on 7th March, 2001.

b. Terms of reference of the Audit Committee:

In connection with the proposed initial public offering of the Company and in compliance with the provisions of section 177 of the Act, and the Rules made thereunder and applicable Regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Board at its meeting held on 12th March, 2024 amended the terms of reference of the Audit Committee which are as under:

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information from any employee of the Company;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise if it considers necessary; and

(e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statements and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(b) Recommendation to the board of directors for appointment, re-appointment and replacement, removal, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, or any other external auditor, of the Company and the fixation of audit fees and approval for payment for any other services.

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company.

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (i) 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;

   (ii) Changes, if any, in accounting policies and practices and reasons for the same;

   (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

   (iv) Significant adjustments made in the financial statements arising out of audit findings;

   (v) Compliance with listing and other legal requirements relating to financial statements;

   (vi) Disclosure of any related party transactions; and

   (vii) Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;

(f) 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 utilised 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 or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Valuation of undertakings or assets of the company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) 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;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) 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;

(r) 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;

(s) Looking 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;

(t) Reviewing the functioning of the whistle blower mechanism;

(u) Approval of the appointment of the Chief Financial Officer of the Company ("**CFO**") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function and who will be designated as the CFO of the Company) after assessing the qualifications, experience and background, etc., of the candidate;

(v) Carrying out any other functions as provided under or required to be performed by the audit committee under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws;

(w) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(x) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(y) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(z) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per the SEBI Listing Regulations;

(aa) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation *etc.*, on the listed entity and its shareholders; and

(ab) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(e) Statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

ii. annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and

(f) Review the financial statements, in particular, the investments made by any unlisted subsidiary.

c. Six (6) Meetings were held during the year on the following dates:

16th June, 2023, 04th August 2023, 03rd October 2023, 18th October 2023, 24th November, 2023 and 18th March, 2024.

d. As on 31st March, 2024 composition of Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Pradip N. Kapadia*	Independent Director	Member (Chairman till 24th March, 2024)	6	6
Mr. David P Rasquinha*	Independent Director	Member (till 24th March, 2024)	6	6
Mr. Umesh N. Khanna	Non-Executive Director	Member	6	6
Mr. Sitaram Janardan Kunte#	Additional Independent Director	Member (w.e.f. 24th March, 2024)	6	N.A
Ms. Rukhshana Jina Mistry#	Additional Independent Director	Member (Chairperson w.e.f. 24th March, 2024)	6	N.A

Note 1:

***** Mr. David Paul Rasquinha and Mr. Pradip N. Kapadia ceased to be directors w.e.f. 24th March, 2024 and 25th March, 2024 respectively.

\# The Board of Directors at its meeting held on 24th March, 2024 appointed Ms. Rukhshana Jina Mistry as Chairman of the Audit Committee and Mr. Sitaram Janardan Kunte as Member of the Audit Committee.

Note 2:

During the year under review three circular resolutions were passed by the Audit Committee as under:

- 1 and 2/2023-24 dated 31st October, 2023 duly approved on 31st October, 2023
- 3/2023-24 dated 27th March, 2024 duly approved on 28th March, 2024

e. Dividend Distribution Policy

On account of the proposed Initial Public Offer ('IPO") by the Company, the Board of Directors at its meeting held on 18th March, 2024, has in accordance with the provisions of Regulation 43A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, adopted Dividend Distribution Policy. The said Policy is available on the Company's website and can be accessed at https://www.afcons.com/en/investors.

IV. NOMINATION AND REMUNERATION COMMITTEE

a. The Committee was originally constituted as Remuneration Committee on 25th March, 2003. In compliance with the provisions of section 178 of the Act and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 have renamed the said Committee as "Nomination and Remuneration Committee" (hereinafter "**Committee**"). The Nomination and Remuneration Committee policy was amended at the Board Meeting dated 24th March, 2022 & further amended on 18th March, 2024.

b. Terms of Reference of the Committee are as under:

In connection with the proposed initial public offering of the Company and in compliance with the provisions of section 178 of the Act, and the Rules made thereunder and applicable Regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Board at its meeting held on 12^{th} March, 2024 amended the terms of reference of the Nomination and Remuneration Committee which are as under:

(a) 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;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

(i) use the services of any external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(c) Formulation of criteria for evaluation of performance of independent directors and the Board;

(d) Devising a policy on Board diversity;

(e) Identifying persons who are qualified to become directors of the Company 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;

(f) Analysing, monitoring and reviewing various human resource and compensation matters;

(g) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(h) Recommending to the Board the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(j) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(k) To recommend to the Board the appointment / removal of the Directors or Senior Management Personnels

(l) To specify manner for effective evaluation by the Board of the performance of the individual directors and that of Board, its various committees constituted as required by the Act, and to review its implementation and compliance.

(m) All other powers and authorities as provided under the provision of Schedule V and other applicable provisions of the Act and the Rules made thereunder and any amendment thereof, if any, in granting the approval of remuneration to Whole-Time Directors and the Managing Director of the Company.

(n) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(o) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(p) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable;

(q) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

(r) Such terms of reference as may be referred or delegated to this Committee by the Board or as be prescribed under the Companies Act and SEBI Listing Regulations.

c. As on 31st March, 2024 the composition of Committee and particulars of meetings attended by the members of Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Pradip N. Kapadia*	Independent Director	Member (Chairman till 24th March, 2024)	4	4
Mr. Shapoorji P. Mistry	Non-Executive Director	Member	4	3
Mr. David P Rasquinha*	Independent Director	Member	4	4
Ms. Rukhshana Jina Mistry#	Additional Independent Director	Member (Chairman w.e.f. 24th March, 2024)	4	NA
Mr. Sitaram Janardan Kunte#	Additional Independent Director	Member (w.e.f. 24th March, 2024)	4	NA

* Mr. David Paul Rasquinha and Mr. Pradip N. Kapadia ceased to be directors w.e.f. 24th March, 2024 and 25th March, 2024 respectively.

\# The Board of Directors at its meeting held on 24th March, 2024 appointed Ms. Rukhshana Jina Mistry as Chairman of the Nomination and Remuneration Committee and Mr. Sitaram Janardan Kunte as Member of the Nomination and Remuneration Committee.

Four (4) Meetings were held during the year on the following dates:

10th June, 2023, 09th January, 2024, 09th March, 2024 and 23rd March, 2024

d. Remuneration Policy

The remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

The salient feature of the Nomination and Remuneration policy are as under:

i. The remuneration to Executive Director, KMP and Senior Management Personnel shall involve a balance between fixed and incentive pay reflecting short and long-term performance appropriate to the working of the company and its goals.

ii. The remuneration (including payment of minimum remuneration) to Executive Directors shall be within the overall ceiling prescribed under the Act and the Listing Regulations. Within the said overall ceiling of remuneration, the Executive Directors will be entitled to avail of the perquisites under different heads as may be applicable to the other Senior Management Personnel of the Company. Such remuneration to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration shall be subject to prior/post approval of the shareholders of the Company.

iii. The annual increments and incentives to the Executive Directors will be recommended by the Committee and decided by the Board in its absolute discretion and will be merit based and will also take into account the Company's performance.

iv. The Committee shall identify and ascertain the integrity, qualification, expertise, and experience of the person for appointment as Director/s and recommend to the Board his / her appointment.

v. Due to reasons for any disqualification mentioned in the Act, and Rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director.

vi. The Directors shall retire as per the applicable provisions of the Act and Listing Regulations. Subject to applicable law, the Board shall have the discretion to retain the Director even after attaining the retirement age, for the benefit of the Company

vii. The Committee /Board shall at least once in every financial year evaluate the performance of Board, its committees and each Director individually and review its implementation and compliance and recommend to the Board remedial actions (if any) to be taken basis such performance evaluation. In this connection, the Committee may take assistance from Independent external agency.

viii. The criteria or parameters on which the evaluation of the board, its committees and individual directors is to be carried out shall be as formulated by the NRC from time to time

ix. The qualification attributes, terms and conditions of appointment and removal of KMP and Senior Management Personnel as also their remuneration (including annual increments and incentives if any) and the evaluation of their performance shall be decided by the Board on recommendations of Nomination and Remuneration Committee of the Company and shall be in line with this policy.

x. The KMP and Senior Management Personnels shall retire as per the applicable provisions of the Act, and the prevailing policy of the Company. Subject to applicable law, the Board shall have the discretion to retain the KMP and Senior Management Personnels even after attaining the retirement age, for the benefit of the Company.

xi. The Committee shall recommend such appointment and removal of KMP and Senior Management Personnel.

e. Details of Remuneration paid to Directors during the financial year 2023-24:

i. Remuneration to Executive Directors (₹.in p.a.)

Name of Director	Basic Salary	PF/SA	Perquisites	Total Remuneration
Mr. K . Subramanian	89,91,000.00	24,27,570.00	4,29,58,726.00	5,43,77,296.00
Mr. S. Paramasivan	78,96,000.00	21,31,920.00	3,95,45,626.00	4,95,73,546.00
Mr. Giridhar Rajagopalan	37,38,000.00	10,09,260.00	2,54,75,562.00	3,02,22,822.00
Total	**2,06,25,000.00**	**55,68,750.00**	**10,79,79,914.00**	**13,41,73,664.00**

ii. Remuneration to Non-Executive Directors

The Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board and / or Committees thereof. The details of the sitting fees paid to the non-Executive directors are as under:

Name of the Director	Sitting Fees (₹ in p.a.)	Equity Shareholding in the Company	
		No. of Shares	% holding
Mr. Shapoorji P. Mistry	6,50,000	-	-
Mr. Pradip N. Kapadia$	24,50,000	-	-
Mr. David P Rasquinha$	17,00,000		
Mr. Umesh N. Khanna	21,00,000	-	-
Mr. Pallon S. Mistry@	6,00,000	-	-
Ms. Roshen M. Nentin@	6,00,000	3,310	0.0046
Mr. Sitaram Janardan Kunte	4,00,000	-	-
Mr. Anurag Kumar Sachan*	3,50,000		
Ms. Rukhshana Jina Mistry*	3,00,000		
Mr. Atul Sobti#	1,00,000		
Mr. Cherag Sarosh Balsara#	1,00,000		
Total	**93,50,000**	**3,310**	**0.0046**

The Company does not have any material pecuniary relation or transactions with its Non-Executive Directors.

@ Mr. Pallon Mistry and Ms. Roshen Nentin ceased to be directors w.e.f. 12th March, 2024.

* Mr. Sitaram Janardan Kunte, Mr. Anurag Kumar Sachan and Ms. Rukhshana Jina Mistry were appointed as an Additional Independent Director of the Company w.e.f. 12th March, 2024 subject to their appointment as an Independent Director at the ensuing Annual General Meeting.

$ Mr. David Paul Rasquinha and Mr. Pradip Kapadia ceased to be directors w.e.f. 24th March, 2024 and 25th March, 2024 respectively.

Mr. Atul Sobti and Mr. Cherag Sarosh Balsara were appointed as an Additional Independent Director of the Company w.e.f. 24th March, 2024 subject to their appointment as an Independent Director at the ensuing Annual General Meeting.

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a. In accordance with the requirement of Section 135 of the Act and the Rules made thereunder, the Board at its meeting held on 24th June, 2014 have constituted a Corporate Social Responsibility ("**CSR**") Committee. The CSR policy was amended at the Board Meeting dated 18th March, 2024.

b. Terms of Reference of the Committee are as under:

In compliance with the provisions of section 135(1) of the Act, and the Rules made thereunder, the Board at its meeting held on 12th March, 2024 amended the terms of reference of the CSR policy which are as under:

i. To formulate and recommend to the board, a corporate social responsibility **("CSR")** Policy (which shall include any revisions / amendment therein from time to time), and recommend it to the Board for approval indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder.;

ii. To identify corporate social responsibility activity(ies) / CSR programme(s) or CSR project(s) to be undertaken by the Company;

iii. To identify, evaluate and appoint organisation (including international organisation) / implementation partners/ for carrying out CSR activity(ies), project(s) , programme(s) , impact assessment survey etc.

iv. To recommend the amount of expenditure to be incurred for the corporate social responsibility activities specified under Schedule VII of the Act and the distribution of the same to various corporate social responsibility activity(ies)/ programme(s) /project(s) to be undertaken by the Company;

v. To formulate the annual action plan of the CSR activity(ies)/ programme(s) /project(s) to be undertaken by the Company during the financial year;

vi. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

vii. To review and monitor the implementation of corporate social responsibility activity(ies) / programme(s) or project(s) to be undertaken as per the CSR Policy and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility activity(ies) / programme(s) / project(s);

viii. To decide and recommend to the Board on the manner of utilization of surplus; and

ix. To perform such other duties and functions as may be required under the Companies Act 2013 and Rules thereto and as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, as amended.

c. Two (2) Meetings of the CSR Committee were held during the year on:

07th June, 2023 and 18th September, 2023.

d. As on 31st March, 2024 the Composition and particulars of meetings attended by the members of CSR Committee are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. K . Subramanian	Executive Vice Chairman	Chairman	2	1
Mr. Pradip N. Kapadia*	Independent Director	Member	2	2
Mr. Umesh N. Khanna	Non-Executive Director	Member	2	2
Mr. Anurag Kumar Sachan*	Additional Independent Director	Member	2	N.A

Note 1:

***** Mr. Pradip N. Kapadia tendered his resignation as an Independent Director of the Company w.e.f. 25th March, 2024 which was noted by the Board of Directors at its meeting held on 24th March, 2024. The Board, at the said meeting appointed Mr. Anurag Kumar Sachan as the member of the Corporate Social Responsibility Committee.

Note 2:

During the year under review two circular resolutions were passed by the Corporate Social Responsibility Committee as under:

1 and 2/2023-24 dated 15th March, 2024 duly approved on 15th March, 2024.

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a. The Committee was constituted on 28th November 2006 as Shareholders / Investor's Grievances Cum Share Transfer Committee. The Board at its meeting held on 24th September 2008 renamed the said Committee as Shareholders / Investor's Grievance Cum Share Transfer cum ESOP Share Allotment Committee. Thereafter the Committee was again renamed at the meeting of the Board held on 12th March, 2014 as Shareholder/Investors' Grievance cum Share Transfer cum Shares Allotment Committee **("STC")**. The Board again at the meeting held on 22nd March, 2016 has renamed the committee as Stakeholders Relationship Committee **("SRC")**. SRC was delegated additional powers by the Board at their meeting held on 18th June 2020, 5th January, 2024 and 12th March, 2024.

b. In connection with the proposed initial public offering of the Company and in compliance with the provisions of Section 178 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force, collectively the "**Companies Act**"), including the rules framed thereunder, and Regulation 19 applicable Regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Board at its meeting held on 12th March, 2024 amended the terms of reference of the Stakeholders Relationship Committee which are as under:

i. Redressal of all security holders' and investors' grievances including complaints related to transfer/transmission of shares, non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of declared dividends, non-receipt of annual reports, issue of new/duplicate certificates, etc., and assisting with quarterly reporting of such complaints;

ii. Reviewing of measures taken for effective exercise of voting rights by shareholders;

iii. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

iv. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

v. Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

vi. Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services; and

vii. To allot Equity Shares, Preference Shares, Debenture Convertible Securities (full / partly/ optionally convertible), to determine the conversion price of such Convertible Securities and to decided and to exercise all powers in connection therewith;

viii. To investigate any matter in relation to area specified above or referred to it by the Board and for this purpose will have full access to information contained in the records of the Company;

ix. To pass any resolution by circulation on any of the above matter of decision (to the extent permitted under the Companies Act or SEBI Listing Regulations);

x. To sub-delegate any of the aforesaid powers and authorities to any of the Committee members and / or any other person as the Committee deems fit;

xi. To take steps for transfer of any unclaimed dividend amount and equity shares to Investor Education Protection Fund (IEPF) Authority as referred under the provision of Section 124 ,125 and other applicable provisions, if any, of the Companies Act and the rules framed thereunder;

xii. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

c. Three (3) meetings of SRC were held during the year on following dates:

08th May, 2023, 13th October, 2023 and 13th January, 2024.

d. As on 31st March, 2024 the composition and attendance of members at the meetings of the STC are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Pradip N. Kapadia*	Independent Director	Chairman (till 24th March, 2024)	3	3
Mr. Umesh Khanna	Non-Executive Director	Member	3	3
Mr. S Paramasivan	Managing Director	Member	3	3
Mr. Sitaram Janardan Kunte*	Additional Independent Director	Chairman w.e.f. 24th March, 2024	3	N. A

* Mr. Pradip N. Kapadia tendered his resignation as an Independent Director of the Company w.e.f. 25th March, 2024 which was noted by the Board of Directors at its meeting held on 24th March, 2024. The Board, at the said meeting appointed Mr. Sitaram Janardan Kunte as the Chairman of the Stakeholders Relationship Committee.

e. Name and Designation of the Compliance Officer:

Mr. Gaurang Parekh, Company Secretary, is the Compliance officer & Nodal officer of the Company.

f. Status of Investor's Complaints

During the financial year all the letters / complaints received by the Registrar and Share Transfer Agent have been redressed and there were no complaints pending with the Company / Registrar and Share Transfer Agent. All the valid share transfers requests received during the year were duly attended to and processed in time. There was no valid request pending for share transfer as on 31st March, 2024.

VII. INDEPENDENT DIRECTORS MEETING

During the year under review, One (1) meeting of the Independent Directors namely Mr.P. N Kapadia and Mr. David Paul Rasquinha was held on 23rd January, 2024.

As per the provisions of section 149 read with schedule IV of the Act, at the said Independent Directors meeting, the Independent Directors reviewed the performance of the Chairman, Non-Independent Directors, the Executive Directors and the performance of the Board as a whole.

Both the independent directors were present at the said meeting.

VIII. COMMITTEE OF DIRECTORS

The Committee of Directors (**"COD"**) was reconstituted on 27th June, 2016 with revised powers for delegation of certain powers of the Board to Committee of Directors which are of routine & urgent nature can be approved/ passed by the said Committee. On 24th June, 2019 the Board has further delegated to the said Committee certain powers of the Board for taking decision on matter arising between two Board meetings to authorise the Committee to borrow from any other persons in addition to Banks, Financial Institutions.

a. The broad terms of reference of COD are as under:

i. To open account(s) in the name of the Company with any Bank(s), Financial Institution(s), as the Committee may deem fit and necessary, whether designated in Indian Rupees or any foreign currency whether in India or overseas, to authorise signatories to open, operate and to give instructions to the Banks / Financial Institution in connection with the operations of the account(s) including specific any terms or limit on such authority and to close any Bank Account(s) of the Company with any Bank(s), Financial Institution(s).

ii. To issue Power of Attorney in favour of employees of the Company and other persons pertaining to the business of the Company under the Common Seal of the Company.

iii. To authorise representative of the Company for representation before Statutory Authorities in India and Overseas.

iv. To avail credit facilities / borrowing from time to time (including amendment thereto), within the limits as approved by the Shareholders, from Banks and/ or Financial Institutions or any other persons from time to time as the Committee may deem fit and necessary for the purpose of the business of the Company and to authorise signatories to sign and execute agreements and documents and to do all act, deeds and things to give effect to the availing of the credit facility /borrowing.

v. To avail corporate internet Banking with online transaction Rights from Banks/ Financial Institutions for the Bank Account(s) of the Company for our routine corporate transactions.

vi. To make loans and/or give guarantees, bonds and /or counter guarantees and indemnities or provide securities on behalf of the Company and to authorise signatories to sign and execute agreements and documents and to do all act, deeds and things in this matter on behalf of the Company.

vii. To incorporate Company and set-up Branch office, representative office and licensing office in India and Overseas.

viii. To institute, prosecute, defend, oppose, appear or appeal in legal proceedings and demands and to accept services of notices or processes and to give security or indemnities for costs, to pay money into court and obtain payment of money lodged in court and to engage Counsel, Advocates, Attorneys, Vakils, Pleader or other persons and to sign and give vakalatnamas, retainers and other necessary authorities and such retainer and authorisation from time to time at pleasure to revoke.

ix. To approve other transactions of routine nature (other than those matters which are expressly required by Act and Rule thereto to be passed at the meeting of the Board) as the Committee may deem fit and necessary for the purpose of the business of the Company which cannot be deferred to the next Board meeting.

b. Nine (9) meetings were held during the year on the following dates:

17th April 2023, 08th May, 2023, 30th May, 2023, 04th September, 2023, 22nd September, 2023, 18th October, 2023, 08th November, 2023, 20th December, 2023 and 02nd February, 2024.

c. As on 31st March, 2024 the composition and attendance of members at the meetings of the Committee of Directors are given below :

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. S Paramasivan	Managing Director	Chairman	9	9
Mr. P. N. Kapadia*	Independent Director	Member	9	9
Mr. Umesh Khanna	Non-Executive Director	Member	9	9
Mr. Sitaram Janardan Kunte	Additional Independent Director	Member	9	N.A

*Mr. Pradip N. Kapadia tendered his resignation as an Independent Director of the Company w.e.f. 25th March, 2024 which was noted by the Board of Directors at its meeting held on 24th March, 2024. The Board, at the said meeting appointed Mr. Sitaram Janardan Kunte as the member of the Committee of Directors.

IX. RISK MANAGEMENT COMMITTEE

a. In accordance with the requirement under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the uniform listing agreements to be entered into between the Company and the respective stock exchanges on which its equity shares would be listed and other applicable laws, prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India in connection with the proposed initial public offering of the Company, the Board at its meeting held on 12th March, 2024 have constituted a Risk Management Committee and same was further re-constituted on 24th March, 2024.

b. Terms of Reference of the Committee are as under:

1) To formulate a detailed risk management policy, which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

(b) Measures for risk mitigation including systems and processes for internal control of identified risks; and

(c) Business continuity plan.

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

c. One (1) meetings was held during the year on 18th March, 2024.

d. As on 31st March, 2024 the composition and attendance of members at the meetings of the Risk Management Committee are given below :

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. K . Subramanian	Executive Vice Chairman	Chairman	1	-
Mr. David Rasquinha*	Independent Director	Member	1	1
Mr. Anurag Kumar Sachan	Additional Independent Director	Member	1	1
Ms. Rukhshana Jina Mistry*	Additional Independent Director	Member	1	N.A

*Mr. David Rasquinha tendered his resignation as an Independent Director of the Company w.e.f. 24th March, 2024 which was noted by the Board of Directors at its meeting held on 24th March, 2024. The Board, at the said meeting appointed Ms. Rukhshana Jina Mistry as the member of the Risk Management Committee.

X. IPO COMMITTEE

a. In connection with the proposed initial public offering of the Company the Board at its meeting held on 19th July, 2023 have constituted a IPO Committee and same was further re-constituted on 24th March, 2024.

b. Terms of Reference of the Committee are as under:

i. To decide, negotiate and finalize, in consultation with the book running lead managers appointed in relation to the Offer (the "**BRLMs**"), all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with investors;

ii. To make applications to seek clarifications and obtain approvals and seek exemptions from, where necessary, the stock exchanges, the SEBI, the relevant Registrar of Companies, the Reserve Bank of India and any other governmental or statutory/regulatory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions and wherever necessary, incorporate such modifications / amendments / alterations / corrections as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus;

iii. To invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares, and /or Equity Shares that the existing shareholders shall receive upon conversion of convertible Preference Shares held by them, at the same price as in the offer;

iv. All actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the Price Band, allow revision of the Offer portion in case the Selling Shareholder decides to revise it, in accordance with the Applicable laws;

v. To appoint and enter into arrangements with the BRLMs and other parties and in consultation with the BRLMs, appoint and enter into agreements with other intermediaries, including, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, advisors to the Offer, bankers to the Offer, escrow collection bank(s) to the Offer, registrars to the Offer, sponsor banks, refund bank(s) to the Offer, share escrow agent, public issue account bank(s) to the Offer, the monitoring agency, advertising agencies, printing agency, legal counsel, chartered engineer and any other agencies or persons or intermediaries (including any replacements) to the Offer and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the BRLMs' mandate letter, negotiation, finalisation, execution and, if required, amendment of the Offer agreement with the BRLMs and the Selling Shareholder and the underwriting agreement with the underwriters;

vi. To negotiate, finalise, settle, execute and deliver or arrange the delivery of Offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow and sponsor bank agreement, share escrow agreement, monitoring agency agreement and all other documents, deeds, agreements, memorandum of understanding, and any notices, supplements and corrigenda thereto, as may be required or desirable and other instruments whatsoever with the registrar to the Offer, legal advisors, auditors, Stock Exchanges, BRLMs and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforestated documents;

vii. To decide in consultation with the BRLMs on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band, bid period, Offer price, and all the terms and conditions of the Offer and transfer of the Equity Shares pursuant to the Offer, including without limitation the number of the Equity Shares to be issued or offered pursuant to the Offer (including any reservation, green shoe option and any rounding off in the event of any oversubscription), price and any discount as allowed under applicable laws that may be fixed, price band, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors, any rounding off in the event of any oversubscription, to permit existing shareholders to sell any Equity Shares held by them, determined in accordance with the applicable law, and to accept any amendments, modifications, variations or alterations thereto and to accept any amendments, modifications, variations or alterations thereto;

viii. To finalise, approve, adopt, deliver and arrange for, in consultation with the BRLMs, submission of the draft red herring prospectus ("**DRHP**"), the red herring prospectus ("**RHP**") and the prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient), the abridged prospectus, the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto for the issue of Equity Shares including incorporating such alterations/corrections/modifications as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities or in accordance with all Applicable Laws;

ix. To approve the relevant restated financial statements to be issued in connection with the offer;

x. To seek, if required, the consent of the lenders of the Company, subscriber to other class of securities, its subsidiaries and other consolidated entities, industry data providers, parties with whom the Company has entered into various commercial and other agreements, including without limitation customers, suppliers, strategic partners of the Company, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the offer or any actions connected therewith;

xi. To open and operate bank account(s) of the Company in terms of the cash escrow and sponsor bank agreement, as applicable and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

xii. To authorise and approve, in consultation with the BRLMs, incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

xiii. To approve code of conduct as may be considered necessary or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;

xiv. To authorise any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the offer;

xv. To approve suitable policies in relation to the Offer as may be required under Applicable laws;

xvi. To approve any corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under applicable laws or the listing agreement to be entered into by the Company with the relevant stock exchanges, in connection with the offer;

xvii. To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder(s) for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale;

xviii. To authorise and approve notices, advertisements in relation to the offer in consultation with the relevant intermediaries appointed for the offer;

xix. To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act or as may be required by the regulations issued by SEBI and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

xx. To determine and finalise the bid opening and bid closing dates (including bid opening and closing dates for anchor investors), floor price/price band for the Offer, the Offer price for anchor investors, approve the basis for allocation/allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the prospectus, in consultation with the BRLMs;

xxi. To issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on the Stock Exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

xxii. To withdraw the DRHP or the RHP or not to proceed with the offer at any stage, if considered necessary and expedient, in accordance with Applicable Laws;

xxiii. To make applications for listing of Equity Shares on the Stock Exchanges and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreements;

xxiv. To do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the afore-stated documents;

xxv. To do all such acts, deeds, matters and things and execute all such other documents, etc., as it may, in its absolute discretion, deem necessary or desirable for the Offer, in consultation with the BRLMs, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalising the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws;

xxvi. To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment of the Equity Shares as aforesaid in consultation with the BRLMs and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under applicable laws to the officials of the Company;

xxvii. To take such action, give such directions, as may be necessary or desirable as regards the offer and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the offer, as are in the best interests of the Company;

xxviii. To approve the expenditure in relation to the offer;

xxix. To negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing; and

xxx. To submit undertaking/certificates or provide clarifications to the Securities and Exchange Board of India and the Stock Exchanges where the Equity Shares of the Company are proposed to be listed.

c. Two (2) meetings were held during the year on the following dates:

27th March, 2024 and 28th March, 2024.

d. As on 31st March, 2024 the composition and attendance of members at the meetings of the Committee of Directors are given below :

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. K . Subramanian	Executive Vice Chairman	Chairman	2	2
Mr. Pradip N Kapadia*	Independent Director	Member	2	N.A
Mr. S. Paramasivan	Managing Director	Member	2	2
Mr. Sitaram Janardan Kunte*	Additional Independent Director	Member	2	2

*Mr. Pradip N. Kapadia tendered his resignation as an Independent Director of the Company w.e.f. 25th March, 2024 which was noted by the Board of Directors at its meeting held on 24th March, 2024. The Board, at the said meeting appointed Mr. Sitaram Janardan Kunte as the member of the IPO Committee.

XI. GENERAL BODY MEETINGS

a. The details of the Annual General Meetings **(AGM)** held in the last 3 years:

For Financial Year ended	Location	Date of AGM	Time
31.03.2021	Registered office of the Company (through Video Conferencing)	27.09.2021	4.30 p.m.
31.03.2022	Registered office of the Company	29.09.2022	4.30 p.m.
31.03.2023	Registered office of the Company	04.08.2023	4.30 p.m.

b. Details of Extra Ordinary General Meeting **(EGM)** held in the last 3 years:

There was no EGM held in the last 3 years.

c. Details of the special resolutions passed at the Annual General Meeting in the previous 3 years:

45th AGM 27.09.2021	i.	To appoint Mr. Giridhar Rajagopalan (DIN: 02391515) as Deputy Managing Director of the Company for remaining tenure of his appointment i.e. 30th June, 2022
	ii.	To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores
46th AGM 29.09.2022	i.	To vary the terms of remuneration of Mr. K. Subramanian (DIN - 00047592) Executive Vice Chairman of the Company for the remaining tenure of his appointment i.e. from 1st July, 2022 to 30th June, 2023
	ii.	To vary the terms of remuneration of Mr. S. Paramasivan (DIN-00058445) Managing Director of the Company for the remaining tenure of his appointment i.e. from 1st July, 2022 to 30th June, 2023
	iii.	To re-appoint and fix the remuneration of Mr. Giridhar Rajagopalan (DIN - 02391515) as whole-time Director designated as Deputy Managing Director of the Company for a term of 3 years i.e. from 1st July, 2022 to 30th June, 2025
	iv.	To vary the terms and conditions of 25,00,00,000 (Twenty Five Crore) 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores only) of the Company held by Goswami Infratech Private Limited
	v.	To vary the terms and conditions of 10,00,00,000 (Ten Crore) 0.01% Non-Cumulative and Non-Profit Participatory Convertible Preference Shares having face value of ₹ 10/- each aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crores only) of the Company held by Floreat Investments Private Limited
	vi.	To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores

47th AGM 04.08.2023	i. To re-appoint and fix the remuneration of Mr. K. Subramanian (DIN: 00047592) as Whole-time Director designated as Executive Vice Chairman of the Company for a further term of Three (3) years i.e. from 1st July, 2023 to 30th June, 2026 ii. To re-appoint and fix the remuneration of Mr. S. Paramasivan (DIN: 00058445) as Managing Director of the Company for a further term of Three (3) years i.e. from 1st July, 2023 to 30th June, 2026 iii. To vary the terms of remuneration of Mr. Giridhar Rajagopalan (DIN : 02391515) Deputy Managing Director of the Company for the remaining period of his appointment i.e. from 1st July, 2023 to 30th June, 2025 iv. To vary the terms and conditions of 25,00,00,000 (Twenty-Five Crores), 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores only) of the Company held by Goswami Infratech Private Limited v. To create charges on the movable and immovable properties of the Company, both present and future, upto the limit of ₹ 30,000 Crores in respect of borrowings of the Company vi. To increase borrowing limits of the Company in terms of section 180(1)(c) of the Companies Act, 2013 upto the limit of ₹ 5,000 Crores vii. To issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 Crores

d. During the year under review, the Company has passed the following resolutions through Postal Ballot.

08th February, 2024	1. Variation of terms and conditions of 10,00,00,000 (Ten Crores) 0.01% Fully and Compulsorily Convertible, Non-Cumulative, Non-Participatory Preference Shares having face value of ₹ 10/- each fully paid-up and aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crores only) of the Company held by Shapoorji Pallonji and Company Private Limited 2. Place of keeping and inspection of the Registers of Members, Index of Members and Annual Return of the Company
17th March, 2024	1. To increase authorised share capital of the Company and alteration of Capital clause of Memorandum of Association of the Company 2. To alter object clause of the Memorandum of Association of the Company as per Companies Act, 2013 3. To alter and adopt new set of Articles of Association of the Company as per Companies Act, 2013 4. To approve Initial Public Issue of Equity shares through a fresh issue and offer for sale of equity shares by the Company 5. To increase investment limits for Non-resident Indian and Overseas citizens of India

XII DISCLOSURES

There were no materially significant related party transactions during the financial year 2023-24 that may have potential conflict with the interests of the Company at large. The detail of the related party transactions as per IND AS 24 are included in the notes to accounts forming part of the Annual Reports.

XIII MEANS OF COMMUNICATION

a. The Company has its own website and all the vital information relating to the Company is displayed on the website. Address of the website is https://www.afcons.com/en

b. Annual Report containing Inter alia, Audited Annual Report, Financial Statements, Directors Report, Auditors Report and other important information is circulated to the members and others entitled thereto.

XIV GENERAL SHAREHOLDERS INFORMATION

a.	Annual General Meeting		
	Date	:	13th August, 2024
	Time	:	4.00 p.m.
	Venue	:	Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, Andheri (West), P.O., Mumbai 400 053
b.	Financial Year	:	1st April to 31st March
c.	Cut-Off Date / Record Date	:	6th August, 2024
d.	Date of Book Closure	:	7th August, 2024 to 13th August, 2024 (both days Inclusive)
e.	ISIN No.	:	INE101I01011
f.	Registrar & Share Transfer Agent	:	Link Intime India Private Limited C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. Tel. No.:+91 810 811 4949 Email id.: rnt.helpdesl@linkintime.co.in

g. CIN : U45200MH1976PLC019335

h. Tel : +91 22 67191000

i. Email id : secretarial@afcons.com

j. website : www.afcons.com

XV SHAREHOLDING PATTERN AS ON 31st MARCH, 2024

Sr. No.	Category	No. of Shares	% of total
1.	**Promoter's holding**		
	Indian Promoters -Bodies Corporate*	338969201	99.48
	Sub total (1)	**338969201**	**99.48**
2.	**Non Promoters Holding**		
	Companies / Bodies Corporate	50000	0.01
	Employees Trust	1191370	0.35
	Directors & their Relatives	106747	0.03
	Employees / Retired Employees / General Public	413171	0.12
	Subtotal (2)	**1761288**	**0.52**
3.	**Investor Education Protection Fund** (3)	7780	0.00
	Total (1+2+3)	**340738269**	**100.00**

*Promoter's holding includes promoter group holding

XVI DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2024

Number of Shares	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 to 100	55	13.9241	4241	0.0012
101 to 500	222	56.2025	60662	0.0178
501 to 1000	28	7.0886	22354	0.0066
1001 to 2000	13	3.2911	20124	0.0059
2001 to 3000	7	1.7722	18096	0.0053
3001 to 4000	7	1.7722	24657	0.0072
4001 to 5000	3	0.7595	13768	0.0040
5001 to 10000	21	5.3165	143156	0.0420
10001 & above	39	9.8734	340431211	99.9099
Total	395	100	340738269	100

XVII Address for Correspondence:

Afcons Infrastructure Limited

Afcons House, 16 Shah Industrial Estate,

Veera Desai Road, Azad Nagar, P.O.,

Andheri (West), Mumbai-400053

Tel.no.: +91 22 67191000

Website: www.afcons.com

AFCONS INFRASTRUCTURE LIMITED

INDEPENDENT AUDITOR'S REPORT

To The Members of AFCONS INFRASTRUCTURE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Afcons Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branches located at Mauritius, Mozambique, Gabon, Zambia, Mauritania, Ghana, Bhutan, Bangladesh, Liberia, Tanzania, Kuwait, Maldives, Indonesia, Qatar, Peru, Ivory Coast, Jordan, Oman, Abu Dhabi, Bahrain and Benin and which includes 16 jointly controlled operations accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the branch auditors and other auditors on separate financial statements of the branches and jointly controlled operations referred to in the Other Matters section below, 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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Responsibility 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 the Rules made thereunder, 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 obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

1. We draw attention to Note no. 40 of the standalone financial statements, which describes the uncertainties relating to the outcome of the proceedings in arbitration and High Court in respect of variations recognised by the company in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 40, the management of the company is of the view that the amounts recognised as amount due from customers under construction contracts, are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that, the proceedings in arbitration and High Court are ongoing, the duration and outcome is uncertain.

2. Audit report on the Financial Statements of Transtonnelstroy Afcons Joint Venture (a jointly controlled operation included in the Standalone Financial Statements of the Company) includes an emphasis of matter as under:

   "We draw attention to Note 33 to the Financial Statements, which describes the uncertainties relating to the outcome of the negotiation, proceedings in arbitration, High Court and Supreme Court in respect of variations recognised by the joint venture in earlier years in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by legal opinion, the management is of the view that the amounts recognised as amount due from customers under construction contracts and trade receivable including interest on trade receivables as per arbitration award, are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that the negotiation, proceedings in arbitration, High Court and Supreme Court are ongoing, the duration and outcome is uncertain.

   Our opinion is not modified in respect of this matter."

   Note 33 as described above is reproduced as Note 37 to the Standalone Financial Statements.

3. Audit report on the Financial Statements of Afcons Gunanusa Joint Venture (a jointly controlled operation included in the Standalone Financial Statements of the Company) includes an emphasis of matter as under:

   "We draw attention to Note 26 to the Financial Statements, which describes the uncertainties relating to the outcome of the arbitration proceedings in respect of claims recognized by the Joint Venture in the earlier years, on account of change orders.

   Based on the Management's estimates and technical evaluation of the recoverability in terms of the provisions of the contract, which is supported by legal opinion, the management is of the view that the amounts recognized as amount due from customers under construction contract are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that the arbitration proceedings are ongoing, the duration and outcome is uncertain.

   Our opinion is not modified in respect of this matter."

   Note 26 as described above is reproduced as Note 36 to the Standalone Financial Statements.

4. Audit report on the Financial Statements of Dahej Standby Jetty Project Undertaking (a jointly controlled operation included in the Standalone Financial Statements of the Company) includes an emphasis of matter as under:

“We draw attention to Note no. 23 to the Financial Statement, which describes the uncertainties relating to the outcome of the Hon’ble High Court Delhi, proceedings, where the Joint Venture has filed appeal to set aside an unfavourable award granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture.

Based on the Management’s assessment and technical evaluation of the recoverability of the aforesaid client claims which are already encashed and claims filed by the Joint Venture against the client, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 23, the management is of the view that the amounts recognised as amount due from customers under construction contracts and other receivable, are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that the proceedings in High Court are ongoing, the duration and outcome is uncertain.

Our opinion is not modified in respect of this matter.”

Note 23 as described above is reproduced as Note 38 to the Standalone Financial Statements.

Our opinion is not modified in respect of the above matters.

Information Other than the Financial Statements and Auditor’s Report Thereon

- The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s report including annexures to Board’s report, but does not include the consolidated financial statements, 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 during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company’s Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 Company and its branches and jointly controlled operations to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the branch auditors or other auditors, such branch auditors and 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. We did not jointly audit the financial statements/ financial information of 20 branches and 16 jointly controlled operations included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 5,912.17 Crores as at 31st March, 2024 and total revenue of Rs. 3,436.18 Crores for the year ended on that date, as considered in the standalone financial statements. The financial statements/financial information of these branches and joint operations have been audited by the branch auditors or either of us in our individual capacity or jointly with other auditors or other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and joint operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branches and jointly controlled operations, is based solely on the report of such branch auditors, reports issued by either of us in our individual capacity or jointly with other auditors and other auditors.
2. We did not jointly audit the financial statements/ financial information of a branch whose financial statements/financial information reflect total assets of Rs. Nil as at 31st March, 2024 and total revenue of Rs. Nil for the year ended on that date, as considered in the standalone financial statements. The financial statements / financial information is unaudited and have been furnished to us by the Management and our opinion on the standalone financial statement, in so far as it relates to the amounts and disclosures included in respect of a branch, is based solely on such unaudited financial statement/financial information. In our opinion and according to the information and explanations given to us by the Management, the financial statements/financial information are not material to the Company.

   Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches and jointly controlled operations, referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company and its jointly controlled operation which is a company incorporated in India so far as it appears from our examination of those books and the reports of the other auditors and proper returns adequate for the purposes of our audit have been received from the branches not visited by us, except for not complying with the requirement of audit trail as stated in paragraph (j)(vi) below.

   c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and with the returns received from the branches not visited by us.

   e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

f) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its jointly controlled operation company incorporated in India, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

g) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) 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 A” which is based on the auditors’ reports of the Company and its jointly controlled operation company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements of those companies.

i) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Further, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of a jointly controlled operation company incorporated in India, the said jointly controlled operation company being private companies, section 197 of the Act related to the managerial remuneration is not applicable.

j) 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, as amended 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 30, 36, 37, 38, 40, 41, 42 and 43 to the standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 18 to the standalone financial statements. Further the Company did not have any material foreseeable losses on 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

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the jointly controlled operation company incorporated in India.

iv. (a) The respective Management of the Company and of its jointly controlled operation which is a company incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such jointly controlled operation respectively, that, to the best of its knowledge and belief, as disclosed in the note 48(x) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or such jointly controlled operation company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Management of the Company and one of its jointly controlled operation which is a company incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such jointly controlled operation respectively that, to the best of its knowledge and belief, as disclosed in the note 48(x) to the financial statements, no funds have been received by the Company or such jointly controlled operation from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or such jointly controlled operation company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the jointly controlled operation which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The preference and equity dividend of the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 12(B) and 12.12 to the standalone financial statements, the Board of Directors of the Company have proposed dividend on equity and preference shares for the year 2023-24 which is subject to the approval of the members of the Company at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

The jointly controlled operation which is a company incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi. Based on our examination which included test checks and based on the other auditor's reports of its jointly controlled operation which is a company incorporated in India whose financial statements have been audited under the Act, the Company and its jointly controlled operation, incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended 31st March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at database level to log any direct data changes for the period 1st April 2023 to 20th November 2023.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31st March 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 24049660BKFRRK2567

Place: Mumbai
Date: 24th June, 2024

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 24030035BKEIZN3724

Place: Mumbai
Date: 24th June, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Afcons Infrastructure Limited** ("the Company") as at 31st March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements of the Company's jointly controlled operation which is company incorporated in India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company and one of its jointly controlled operation company incorporated in India 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 and the audit evidence obtained by the other auditors of the jointly controlled operation which is a company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to standalone financial statements of the jointly controlled operation referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statements insofar as it relates to a jointly controlled operation which is a company incorporated in India, is based on the corresponding reports of the other auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 24049660BKFRRK2567

Place: Mumbai
Date: 24th June, 2024

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 24030035BKEIZN3724

Place: Mumbai
Date: 24th June, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Afcons Infrastructure Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, so to cover all the items once every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans and guarantees, are held in the name of the Company based on the confirmations directly received by us from custodians.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has made investment in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans or advances in the nature of loans and stood guarantee during the year and details of which are given below. The Company has not provided security to any other entity during the year.

(Rs. in Crores)

	Loans or Advances in nature of loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	21.54	-
- Jointly Controlled Operations	156.03*	91.26
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	0.01	-
- Jointly Controlled Operations	108.49	97.46

* The aforesaid balances are not reflected in the financial statements as these are eliminated while preparing the Standalone financial statements of the company as per accounting policy described in Note 1.B.2.a to the financial statements. Hence loan or advances in nature of loan is not considered for the reporting under this clause.

(b) The investment made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

(d) In respect of the loans granted or advances in nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the overdue amount remaining outstanding as at balance sheet date.

(e) In respect of the loans/advances in nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on whether the loans granted or advances in nature of loans fell due during the year and were renewed or extended.

(f) The Company has granted Loans or advances in the nature of loans which are without specifying any terms or period of repayment details of which are given below:

(Rs. in Crores)

	All Parties*	Promoters	Related Parties
Aggregate of loans/advances in nature of loans			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	177.57	-	177.57
Total (A+B)	177.57	-	177.57
Percentage of loans/advances in nature of loans to the total loans	100%	-	100%

* The loan or advances in nature of loan granted to Jointly controlled operations amounting to Rs. 156.03 Crores is eliminated while preparing the standalone financial statements as per the accounting policy Note 1.B.2.a.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of grant of loans and providing guarantees and securities, as applicable. The Company has also complied with Section 186 of the Companies Act, 2013 in respect of making investments, as applicable. Attention is invited to note 39 of the standalone financial statements regarding reliance placed on the legal opinion obtained by the management in the matter of non-applicability of section 186 of the Companies Act 2013 in relation to loan made, guarantee given or security provided as the company is in the business of constructing and delivering infrastructure facilities.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities, though there has been a delay in few cases in respect of remittance of Provident Fund and Profession Tax.

Also, refer note 30 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable except the following:

Name of statute	Nature of dues	Amount (Rs. in Crores)	Period to which amount relates	Due date	Date of subsequent payment
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	0.05	AY 2023-24	Various	Not yet paid
The Employee Provident funds and Miscellaneous Provisions Act, 1952	Employer contribution to pension scheme	0.10	AY 2024-25	Various	Not yet paid

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024 on account of disputes are given below:

Name of the statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Total Amount Rs. in Crores	Unpaid Amount Rs. in Crores *
The Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	AY 2015-16	0.10	-
The Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	AY 2016-17	11.44	7.74
The Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	AY 2020-21	31.94	25.55
The Finance Act 1994	Service Tax	Appellate Authority Tribunal	AY 2008 to 2019	64.51	61.83
Local Sales Tax Acts applicable in respective States (Andhra Pradesh, Tamil Nadu and Madhya Pradesh)	Sales Tax	Appellate Authority up to Commissioner’s level	AY 1986 to 1991 and AY 1993 to 2000	0.42	0.41
Local Sales Tax Acts applicable in respective States (West Bengal)	Sales Tax	Appellate Authority-Tribunal Level	AY 1988 to 1990 and AY 1998 to 1999	0.16	0.16
Local Sales Tax Acts applicable in respective States (Orissa)	Sales Tax	Appeal before Commissioner	AY 2005-06	0.44	0.15
Local Sales Tax Acts applicable in respective States (Orissa)	Sales Tax	At High court	AY 2000-01	1.36	0.31
The Central Goods and Service Tax Act, 2017 (Uttar Pradesh)	Goods and Service tax	Appeal before Additional Commissioner, Lucknow	AY 2020-21	3.11	1.79
UP Goods & Service Tax, 2017 (Uttar Pradesh)	Goods and Service tax	Appeal before Additional Commissioner, Lucknow	AY 2020-21	3.11	1.79
Central Goods & Service Tax, 2017	Goods and Service tax	Appeal before Commissioner Customs & Indirect Tax (Appeal II), Hyderabad	AY 2018-19	11.98	11.98
Telangan Goods & Service Tax, 2017	Goods and Service tax	Appeal before Commissioner Customs & Indirect Tax (Appeal II), Hyderabad	AY 2018-19	11.98	11.98
Central Goods & Service Tax, 2017)	Goods and Service tax	Appeal before GST Commissioner Customs & Indirect Tax (Appeal I), Lucknow	AY 2018-19	7.13	6.74
UP Goods & Service Tax, 2017	Goods and Service tax	Appeal before GST Commissioner Customs & Indirect Tax (Appeal I), Lucknow	AY 2018-19	7.13	6.74
Central Goods & Service Tax, 2017	Goods and Service tax	Appeal before GST Commissioner Customs & Indirect Tax (Appeal I), Bhubaneswar	AY 2018-19	4.69	4.47
Odisha Goods & Service Tax, 2017	Goods and Service tax	Appeal before GST Commissioner Customs & Indirect Tax (Appeal I), Bhubaneswar	AY 2018-19	4.69	4.47
Central Goods & Service Tax, 2017	Goods and Service tax	Before Asst Commissioner Tamil Nadu	AY 2018-19	0.09	0.09
Tamil Nadu Goods & Service Tax, 2017	Goods and Service tax	Before Asst Commissioner Tamil Nadu	AY 2018-19	0.09	0.09
Central Goods & Service Tax, 2017	Goods and Service tax	Asst Commissioner State Tax, Mumbai	AY 2020-21	1.38	1.38
State Goods & Service Tax, 2017	Goods and Service tax	Asst Commissioner State Tax, Mumbai	AY 2020-21	1.03	1.03

*Amount unpaid is net of the amounts paid under protest.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

Loan or advances in nature of loan received from Jointly controlled operations are eliminated while preparing the standalone financial statement as per the accounting policy 1.B.2 a). Hence, the same is not considered for the reporting under this clause.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its jointly controlled operations or its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its jointly controlled operations or subsidiaries.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of the audit report.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary companies or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) Based on the information and explanations provided by the management of the Company, the Group has more than one CIC as part of the group. There are five CICs forming part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

Following matters have been reported by the auditors of Afcons Sener LNG Construction Projects Private Limited (jointly controlled operation company) under the report on the matters specified in paragraphs 3 and 4 of the companies (Auditor's report) order, 2020 (CARO) on the financial statements of that jointly controlled operation company which have been reproduced under this clause by us as under:

"The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year."

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 24049660BKFRRK2567

Place: Mumbai
Date: 24th June, 2024

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 24030035BKEIZN3724

Place: Mumbai
Date: 24th June, 2024

AFCONS INFRASTRUCTURE LIMITED

Standalone Balance Sheet as at 31st March, 2024 (₹ in Crores)

	Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	2,701.32	2,397.20
	(b) Capital work-in-progress	3.B	43.07	183.60
	(c) Right-of-use assets	3.D	67.91	48.72
	(d) Intangible assets	3.C	0.60	0.61
	(e) Financial assets			
	(i) Investments	4	12.18	12.35
	(ii) Trade receivables	5	499.20	651.22
	(iii) Other financial assets	7	417.10	364.52
	(f) Contract assets	8	1,271.01	1,416.49
	(g) Non current tax assets (net)	11	53.64	28.80
	(h) Other non-current assets	8.2	190.88	181.54
	Total non-current assets		**5,256.91**	**5,285.05**
2	**Current assets**			
	(a) Inventories	9	1,600.93	1,570.66
	(b) Financial assets			
	(i) Trade receivables	5	2,953.74	2,045.52
	(ii) Cash and cash equivalents	10	280.79	112.95
	(iii) Bank balances other than (ii) above	10.1	244.15	49.47
	(iv) Loans	6	19.27	14.89
	(v) Other financial assets	7	468.94	397.68
	(c) Contract assets	8	3,758.33	3,115.82
	(d) Other current assets	8.2	1,028.14	1,045.93
	Total current assets		**10,354.29**	**8,352.92**
	Total assets (1+2)		**15,611.20**	**13,637.97**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12.A	340.74	71.97
	(b) Instruments entirely equity in nature	12.B	-	450.00
	(c) Other equity	13	2,734.55	2,146.91
	Equity attributable to shareholders of the Company		**3,075.29**	**2,668.88**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	597.69	596.48
	(ii) Lease Liabilities	51	35.15	15.68
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		23.21	51.95
	(b) Total outstanding due to creditors other than micro and small enterprises		407.79	420.89
	(iv) Other financial liabilities	16	126.53	156.88
	(b) Contract liabilities	17	1,451.29	1,524.03
	(c) Provisions	18	9.31	8.87
	(d) Deferred tax liabilities (net)	21	103.67	99.29
	Total non-current liabilities		**2,754.64**	**2,874.07**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	1,872.17	981.48
	(ii) Lease Liabilities	51	33.08	33.75
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		198.45	375.93
	(b) Total outstanding due to creditors other than micro and small enterprises		4,047.76	3,064.89
	(iv) Other financial liabilities	16	269.78	362.21
	(b) Contract liabilities	17	2,948.96	2,900.13
	(c) Provisions	18	227.22	150.02
	(d) Current tax liabilities (net)	19	83.89	93.55
	(e) Other current liabilities	17.1	99.96	133.06
	Total current liabilities		**9,781.27**	**8,095.02**
	Total liabilities (A+B)		**12,535.91**	**10,969.09**
	Total equity and liabilities (1+2)		**15,611.20**	**13,637.97**
	See accompanying notes 1 to 55 forming part of the standalone financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

K.SUBRAMANIAN
Executive Vice Chairman
DIN: 00047592

S.PARAMASIVAN
Managing Director
DIN: 00058445

NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2024

Place: Mumbai
Date: 14th June, 2024

Standalone Statement of Profit and Loss for the year ended 31st March, 2024

(₹ in Crores)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
1	Revenue from operations	22	12,907.27	12,466.61
2	Other income	23	378.07	216.89
3	**Total income (1 + 2)**		**13,285.34**	**12,683.50**
4	**Expenses**			
	(a) Cost of material consumed	24	3,833.24	3,752.97
	(b) Cost of construction	24.1	5,136.91	5,139.80
	(c) Cost of traded goods	25	123.30	71.12
	(d) Employee benefits expense	26	1,336.25	1,267.80
	(e) Finance costs	27	576.80	444.14
	(f) Depreciation and amortisation expense	28	490.56	468.80
	(g) Other expenses	29	1,123.34	915.85
	Total expenses		**12,620.40**	**12,060.48**
5	**Profit before tax (3 - 4)**		**664.94**	**623.02**
6	**Tax expense:**	21		
	(a) Current tax		200.20	189.39
	(b) Deferred tax		7.24	(4.62)
	(c) Tax expense relating to prior year (net)		15.38	28.58
	Total tax expenses		**222.82**	**213.35**
7	**Profit for the year (5 - 6)**		**442.12**	**409.67**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investment measured at FVTOCI		0.26	(0.40)
	(b) Remeasurements of defined benefit plans		(11.37)	(2.80)
	Add: Tax effect		2.86	0.70
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation		1.38	22.94
			(6.87)	**20.44**
9	**Total comprehensive income for the year (7 + 8)**		**435.25**	**430.11**
10	**Earnings per share (Face value of ₹ 10 each) (annualised)**			
	(a) Basic earnings per share (rupees)		12.97	12.02
	(b) Diluted earnings per share (rupees)		12.98	12.02
	See accompanying notes 1 to 55 forming part of the standalone financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

K.SUBRAMANIAN
Executive Vice Chairman
DIN: 00047592

S.PARAMASIVAN
Managing Director
DIN: 00058445

NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2024

Place: Mumbai
Date: 14th June, 2024

AFCONS INFRASTRUCTURE LIMITED

Standalone Statement of changes in equity for the year ended 31st March, 2024

a) Equity share capital

Particulars	₹ in Crores
Balance as at 1st April, 2022	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	**71.97**
Changes in equity share capital during the year	268.77
Balance as at 31st March, 2024	**340.74**

b) Instruments entirely equity in nature
Preference share capital

Particulars	₹ in Crores
Balance as at 1st April, 2022	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2023	**450.00**
Changes in preference share capital during the year	(450.00)
Balance as at 31st March, 2024	**-**

c) Other Equity ₹ in Crores

Particulars	Reserve and surplus						Other comprehensive income		Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contin-gencies reserve	General reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income	
Balance as at 1st April, 2022	0.19	0.13	10.28	8.00	65.70	1,640.73	(27.88)	19.70	**1,716.85**
Profit for the year	-	-	-	-	-	409.67	-	-	**409.67**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	(2.10)	22.94	(0.40)	**20.44**
Total comprehensive income for the year	0.19	0.13	10.28	8.00	65.70	2,048.30	(4.94)	19.30	**2,146.96**
Dividends including tax thereon	-	-	-	-	-	(0.05)	-	-	**(0.05)**
Balance as at 31st March, 2023	**0.19**	**0.13**	**10.28**	**8.00**	**65.70**	**2,048.25**	**(4.94)**	**19.30**	**2,146.91**
Balance as at 1st April, 2023	0.19	0.13	10.28	8.00	65.70	2,048.25	(4.94)	19.30	**2,146.91**
Profit for the year	-	-	-	-	-	442.12	-	-	**442.12**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	(8.51)	1.38	0.26	**(6.87)**
Premium on shares issued during the year	-	-	181.23	-	-	-	-	-	**181.23**
Total comprehensive income for the year	0.19	0.13	191.51	8.00	65.70	2,481.86	(3.56)	19.56	**2,763.39**
Dividends including tax thereon	-	-	-	-	-	(28.84)	-	-	**(28.84)**
Balance as at 31st March, 2024	**0.19**	**0.13**	**191.51**	**8.00**	**65.70**	**2,453.02**	**(3.56)**	**19.56**	**2,734.55**

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
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K.SUBRAMANIAN
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SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2024

Place: Mumbai
Date: 14th June, 2024

Standalone Statement of Cash Flow for the year ended 31st March, 2024

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash flow from operating activities		
Profit before tax	664.94	623.02
adjustments for :		
Depreciation and amortisation expense	490.56	468.80
Loss on property, plant and equipment sold/scrapped (net)	8.41	21.23
Interest income recognised in Statement of profit or (loss)	(131.11)	(41.19)
Insurance claim received	(9.65)	(17.43)
Finance costs	576.80	444.14
Advances written off	1.07	-
Bad debts/unbilled revenue and sundry debit balances written off	3.08	2.19
Provision for doubtful debtors / advances no longer required written back	(0.35)	(19.12)
Creditors / excess provision written back	(16.68)	(4.28)
Provision for expected credit loss	27.47	22.93
Provision for projected losses on contract (net)	60.13	3.01
Net exchange difference	(53.23)	(73.72)
Operating profit before working capital changes	**1,621.44**	**1,429.58**
(Increase) / decrease in trade receivables (including retention monies)	(777.77)	168.57
(Increase) in inventories	(30.27)	(323.84)
(Increase) in contract assets	(507.28)	(713.06)
(Increase) in financial assets	(3.38)	(310.50)
Decrease in other assets	27.81	150.86
Increase in trade payable	779.17	874.90
Increase in contract liabilities	32.12	12.65
(Decrease) in financial liabilities	(51.72)	(64.00)
Increase / (decrease) in other liabilities	(33.10)	73.99
Increase / (decrease) in provisions	6.13	(1.78)
Cash from Operations	**1,063.15**	**1,297.37**
(Payment) of Income Tax	(250.08)	(99.87)
Net Cash flow from operating activities	**813.07**	**1,197.50**
Cash flow from investing activities		
Payments for property, plant and equipment	(714.88)	(876.31)
Proceeds from sale of property, plant and equipment	2.38	8.84
Purchase of Investments	-	(0.33)
Proceeds from Investment in Subsidiary after winding-up	0.80	-
Investment in other bank balance redeemed	9.45	74.79
Investment in other bank balance (made)	(211.60)	(63.56)
Interest received	13.74	9.26
Insurance claim received	9.65	17.43
Net Cash flow (used in) investing activities	**(890.46)**	**(829.88)**
Cash flow from financing activities		
Proceeds from long-term borrowings	201.63	374.34
Repayment of long-term borrowings	(200.42)	(179.75)
Proceeds / (repayment) from short-term borrowings - net	888.36	(176.23)
Finance costs paid	(574.47)	(445.54)
Principal element of lease payments (net)	(40.56)	(43.45)
Dividend paid on equity shares (including tax thereon)	(28.79)	-
Dividend paid on preference shares (including tax thereon)	(0.05)	(0.05)
Net Cash flow from / (used in) financing activities	**245.70**	**(470.68)**
Net increase / (decrease) in cash and cash equivalents	**168.31**	**(103.06)**
Cash and cash equivalents at the beginning of the year	112.95	206.50
Effects of exchange rate changes on cash and cash equivalents	(0.47)	9.51
Cash and cash equivalents at the end of the year	**280.79**	**112.95**

Non-Cash financing and investing activities:		
Acquisition of Right-of-use assets	63.83	42.76

Notes

1. The above Cash flow statement has been prepared under the "Indirect Method" set out in Ind AS 7 '*Cash Flow Statements*'.
2. Figures relating to previous year have been recast where necessary to conform to figures of the current year.

AFCONS INFRASTRUCTURE LIMITED

Standalone Statement of Cash Flow for the year ended 31st March, 2024 (Continued)

Net debt reconciliation (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash and Cash equivalent	280.79	112.95
Liquid investments	244.15	49.47
Lease liabilities	(68.23)	(49.43)
Current / Non-current borrowings	(2,469.86)	(1,577.96)
Net Debt	**(2,013.15)**	**(1,464.97)**

₹ in Crores

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalent	Liquid investment	Lease liabilities	Borrowings	
Net Debt as on 1st April, 2022	**206.50**	**71.12**	**(68.03)**	**(1,561.00)**	**(1,351.41)**
Cash flows	(103.06)	(21.65)	-	(18.36)	**(143.07)**
Acquisitions - leases (net)	-	-	(24.67)	-	**(24.67)**
Lease payments	-	-	43.46	-	**43.46**
Foreign exchange adjustments	9.51	-	0.09	-	**9.60**
Interest expense	-	-	(5.12)	(237.68)	**(242.80)**
Interest paid	-	-	4.84	239.08	**243.92**
Net Debt as on 31st March, 2023	**112.95**	**49.47**	**(49.43)**	**(1,577.96)**	**(1,464.97)**
Cash flows	168.31	194.68	-	(889.57)	**(526.58)**
Acquisitions - leases (net)	-	-	(59.01)	-	**(59.01)**
Lease payments	-	-	40.35	-	**40.35**
Foreign exchange adjustments	(0.47)	-	(0.14)	-	**(0.61)**
Interest expense	-	-	(4.43)	(348.76)	**(353.19)**
Interest paid	-	-	4.43	346.43	**350.86**
Net Debt as on 31st March, 2024	**280.79**	**244.15**	**(68.23)**	**(2,469.86)**	**(2,013.15)**

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

K.SUBRAMANIAN
Executive Vice Chairman
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Managing Director
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Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2024

Place: Mumbai
Date: 14th June, 2024

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024

Note 1: General information

Afcons Infrastructure Limited (the "Company" or "Afcons") is a limited company incorporated in India. Shapoorji Pallonji and Company Private Limited was the Parent Company upto 12th January, 2024. Upon conversion of convertible preference shares, Goswami Infratech Private Limited has become the Parent Company w.e.f 13th January, 2024.

The address of its registered office is "Afcons House", 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Company and its jointly controlled operations (the "Company") are infrastructure activities. Afcons has a presence in almost the entire spectrum of infrastructure activities in India and overseas. The Company is engaged in marine works, highways, bridges, metro works, power houses, tunnels, oil and gas, LNG tanks and other general civil engineering projects both in India and Africa and Mideast countries.

Standards issued and effective from April 01, 2023:

On 31st March, 2023, Ministry of Company Affairs issued Companies (Indian Accounting Standards) Amendment Rules, 2023 (2023 amendments). This amendments are applicable from 01st April, 2023. These amendments do not have any significant impacts. The key amendments include.

Ind AS 1 Presentation of Financial statements

Companies should disclose their material accounting policy information rather than their significant accounting policies and accounting policies related to immaterial transactions, other events or conditions which are themselves immaterial are not required to be disclosed. Companies need to clarify that not all accounting policies that relate to material transactions, other events or conditions are material to a Company's financial statements.

Ind AS 34 Interim Financial Reporting

The entities shall disclose material accounting policy information in their interim financial statements, rather than their significant accounting policies.

Ind AS 8 Accounting policies, Changes in Accounting estimates and Errors

The 2023 amendments replaces the definition of 'change in accounting estimates' with the definition of "accounting estimates.' The definition of accounting estimates states: "Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainties." The amendments also clarify the relationship between accounting policies and accounting estimates by stating that the Company develops accounting estimate to achieve the objectives set out by an accounting policy.

Developing an accounting estimate includes use of both measurement techniques and inputs. Measurement techniques includes selection of estimation techniques or valuation techniques used to measure the fair value of an asset or a liability applying Ind AS 113, Fair value measurement. The effects of changes in such inputs or measurement techniques are changes in accounting estimates, unless they result from the correction of prior period errors.

Ind AS 12 Income Taxes

The amendment clarifies how company should account for deferred tax related to assets and liabilities arising from a single transaction. e.g. lease and decommissioning provision. The amendment narrows the scope of the initial recognition exemption, so that it does not apply to transactions that give rise to equal and offsetting temporary differences, such as lease and decommissioning provisions. Thus, Companies should recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition in such transactions. For the above items the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity as on that date. If the Company previously accounted for deferred tax under net approach, the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

A. Basis of preparation and presentation

i) Compliance with Ind AS

The standalone financial statements of Afcons Infrastructure Limited ("The Company" or "Afcons") has been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

ii) Historical cost convention

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting year, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for standalone financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

iii) Operating cycle

The standalone balance sheet presents current and non-current assets, and current and non-current liabilities, as separate classifications. For this purpose, an asset is classified as current if:

- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is held primarily for the purpose of trading; or
- It is due to be settled within 12 months after the reporting period; or
- The Company does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

B. Material accounting policies

1.B.1. Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.B.2. a) Interests in Jointly Controlled Operations

Company enters into Joint Venture arrangement with other parties for execution of construction arrangements for which an unincorporated vehicle is formed having an independent legal status for the tax purpose i.e. Association of person/Body of individual etc. Such arrangement (also called as jointly controlled operations) is considered as extension of business, if in accordance with the terms of the arrangement, Company acts as a principal and remains solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, all the assets, liabilities, revenue and expenses pertaining to such unincorporated vehicle is consolidated in the separate financial statements of the Company.

Similarly, in case the Company is acting as an agent in such kind of arrangements, where the other party to the arrangement is solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, the Company recognises its share of profits/fees as determined in the arrangement in the separate financial statements of the Company.

1.B.2. b) Interest in unincorporated Joint ventures

When the Company enters into a joint venture (JV) arrangement with other parties and an unincorporated vehicle is formed which has a separate status for tax purposes (i.e. Association of person/Body of individual etc.) and if as per the terms of agreement, the Company remains liable for all the liabilities of the unincorporated vehicle and is also responsible for funding or contributing assets to the unincorporated vehicle for construction activity, this unincorporated vehicle (also considered and called as jointly controlled operation) has been considered as an extension of the Company from accounting point of view and assets, liabilities, revenue and expenses are consolidated on the basis of its share in the operations in the separate financial statement of the Company.

1.B.3. Revenue recognition

Sale of goods

Revenue from sale of goods is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control as per the incoterms. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Rendering of services:

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Construction contracts:

The Company recognises revenue from engineering, procurement and construction contracts (‘EPC’) over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involves complex integration of goods and services.

The performance obligations are satisfied over time as the work progresses. The Company recognises revenue using input method (i.e. percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Company estimates the amount of consideration to which it will be entitled in exchange for work performed.

Due to the nature of the work required to be performed on the performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discounts, if any. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available. Various agreements are entered with customers wherein the Group pays a certain portion of the finance cost to the funding agencies of the project. In practice, these payments are considered as payment on behalf of the customer. These payments are not related to a distinct service or product by customer. An estimated amount to be paid over the lifecycle of the project is calculated and accordingly the same is accounted for as a reduction of contract revenue.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to the customers are generally due upon expiration of the contract period or any other conditions as mentioned in the contract.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company’s remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage. The same is presented as contract liability in the statement of financial position. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as “Advances from customer”.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Dividend and interest income

Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Other operating income

Income from export incentives is recognised on cash basis to the extent the ultimate realisation is reasonably certain.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

1.B.4. Foreign currencies

(i) Functional and presentation currency

Items included in the standalone financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statement is presented in Indian Rupee (INR), which is Company's functional and presentation currency. For each entity (branches and Jointly controlled operations), the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing these Standalone financial statements, the Group has applied following policies:

A) Foreign Branches of the Company (outside India with functional currency other than presentation currency): -

1. Income and expense items are translated at the exchange rates at the dates of the transactions and all resulting exchange differences are recognised in the Standalone Statement of Profit and Loss.
2. Non-monetary assets and liabilities are measured in terms of historical cost in foreign currencies and are not translated at the rates prevailing at the reporting period. Monetary assets and liabilities are translated at the rates prevailing at the end of each reporting period. Exchange differences on translations are recognised in the Standalone Statement of Profit and Loss.

B) Joint Operations and subsidiaries outside India with functional currency other than presentation currency:

1. Assets and liabilities, both monetary and non-monetary are translated at the rates prevailing at the end of each reporting year.
2. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

(ii) Foreign currency transactions and balances

In preparing the standalone financial statements of each individual Company entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, a disposal involving loss of control over a foreign operation, or a partial disposal of an interest in a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a foreign operation that does not result in the Company losing control over the foreign operation, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Company losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences on such items are recognised in other comprehensive income.

1.B.5. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.B.6. Employee benefits

1.B.6.1 Retirement benefit costs and termination benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences and leave encashment.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The liability or asset recognised in the balance sheet in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less fair value of plan assets.

For defined retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expense’. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognized in the standalone financial statements represents the actual deficit or surplus in the Company’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

1.B.6.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, wages and other short-term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Provision for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the reporting date.

1.B.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.B.7.1 Current tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its jointly controlled operation operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

1.B.7.2 Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in branches and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in branches and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that the taxation authority will accept tax position taken by the Group. Uncertain tax positions are reflected in the overall measurement of the Group's tax expense and are based on the most likely amount or the expected value arrived at by the Group which provides a better prediction of the resolution of uncertainty. Uncertain tax positions are monitored and updated as and when new information becomes available, typically upon examination or action by the taxing authorities or through statute expiration and judicial precedent. The Group considers whether a particular amount payable or receivable for interest and penalties is an income tax, in which case Ind AS 12 is applied to that amount. When an amount payable for interest and penalties is determined to be within the scope of Ind AS 37, it is presented as part of financing cost or other expenses, respectively unless when there is an overall settlement with tax authority and the interest and penalties cannot be identified separately in which case it is determined to be part of income taxes.

1.B.7.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.B.8 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. It also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Replacement cost of an item of property, plant and equipment is capitalised if replacement meets the recognition criteria.

Carrying amount of items replaced is derecognised. Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised (if they meet the asset recognition criteria) and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipment - 5 years

Freehold land is not depreciated

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road making, Laboratory & Welding Equipment, Floating Equipment - 20 Years.

Tunnel Boring Machines - Length of the tunnel bored over life of the construction project for where it is used.

Cost of shuttering materials, issued to jobs, is charged off equally over a period of four years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.B.8.1 Capital work-in-progress

Property, plant and equipment that are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

1.B.9 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Useful life is as below:

Computer software - 5 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses from derecognition of an intangible asset, measured at the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss when the asset is derecognised.

1.B.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.B.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost is determined on the basis of weighted average method.

1.B.12 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A contingent liability is disclosed where there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are not recognised. Information on contingent liabilities is disclosed in the notes to standalone financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

1.B.13 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are adjusted in the carrying amount of such financial assets and financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Standalone Statement of Profit and Loss.

1.B.14 Financial assets

Classification and subsequent measurement of financial assets

1.B.14.1 Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows. Classification for investments made in debt instruments will depend on the business model in which the investment is held. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

1.B.14.2 Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Debentures, Bonds etc. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Fair value through other comprehensive income

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through OCI, are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Equity instruments

Investments in equity instruments at FVTPL

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

1.B.14.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, contract assets, other contractual rights to receive cash or other financial asset.

For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables and contract asset, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 49.8 details how the group determines whether there has been a significant increase in credit risk.

1.B.14.4 Effective interest method

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognised in the Statement of Profit and Loss.

1.B.14.5 De-recognition of financial assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

1.B.15 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

1.B.15.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

1.B.15.2 De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.B.15.3 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income' as 'Net foreign exchange gains/(losses)'.

1.B.16 Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

1.B.17 Leases:

The Company as lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Contracts may contain both lease and non-lease components. The Company has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

1) Lease Liabilities

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that are initially measured using the index or a rate at the commencement date, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate (since the interest rate implicit in the lease cannot be easily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right of-use asset in a similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2) Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, lease payments made before the commencement date, any initial direct costs and restorations costs.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Deferred tax on the deductible temporary difference and taxable temporary differences in respect of carrying value of right of use assets and lease liability and their respective tax bases are recognised on a net basis.

3) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise assets having value less than ₹ 350,000.

1.B.18 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year.

Ordinary shares to be issued upon conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

1.B.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the Company and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 34 for segment information presented.

1.B.20 Credit Risk

The Company assess on a forward-looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Company considers historical credit loss experience and adjusted for forward-looking information. Note 49.80 details how the Company determines whether there has been a significant increase in credit risk.

1.B.21 Government grants, subsidies and export incentives

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

C. Critical estimates and judgements

a) Revenue recognition

The Company's revenue recognition policy, which is set out in Note 1.B.3, is central to how the Company values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of long-term construction services, which require assessments and judgements to be made on changes in scope of work and claims and variations.

Across construction services there are several long-term and complex projects where the Company has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract.

- Determination of stage of completion;
- Estimation of project completion date;
- Provisions for foreseeable losses; and
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue and costs in respect of construction contracts are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

b) Taxation

The Company is subject to tax in a number of jurisdictions and judgement is required in determining the worldwide provision for income taxes.

The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

c) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the Company is involved it is not expected that such contingencies will have material effect on its financial position or profitability.

d) Useful lives of property, plant and equipment

As described in note 1.B.8 above, the Company reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Impairment of trade receivables and contract assets

The Company has recognised trade receivables with a carrying value of ₹ 3,452.94 Crores (as at 31st March, 2023: ₹ 2,696.74 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting year. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the Company. The same policies are followed for contract assets.

f) Retirement benefit obligations

Details of the Company's defined benefit pension schemes are set out in Note 1.B.6, including tables showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

g) Arbitration claims

The forecast profit on contracts includes key judgements over the expected recovery of costs arising from the following: variations to the contract requested by the customer, compensation events, and claims made by the Company for delays or other additional costs for which the customer is liable. These claims could result in disputes that get settled through an arbitration process wherein the outcome of these awards including the timing and the amount (including interest thereon) requires a reasonable degree of estimation. The inclusion of these amounts requires estimation of their recoverability and could impact the level of profit or loss recognized by the Company.

h) Classification of assets / liabilities as Current and Non-current

The balance sheet presents current and non-current assets and current and non-current liabilities, as separate classifications. This classification involves managements estimate on expected realization of assets and settlement of liabilities within 12 months after the reporting year.

i) Classification of Joint Arrangement as a Jointly Controlled Operation/Joint Venture

A Jointly Controlled Operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When an entity undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;

b) Its liabilities, including its share of any liabilities incurred jointly;

c) Its revenue from the sale of the output arising from the joint operation;

d) Its share of the revenue from the sale of the output by the joint operation and

e) Its expenses, including its share of any expenses incurred jointly.

Accordingly, the Company has evaluated all its joint arrangements on the basis of the contractual arrangements entered into between the parties to the joint arrangements for execution of the project irrespective of the legal form.

D. Recent Indian Accounting Standards (Ind AS)

Ministry of Company Affairs notifies new standards or amendments to the existing standards. There is no such notification which would have been effective from 1st April, 2024.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 2. Details of Joint Operations at the end of the reporting year are as follows.

Name of joint operations	Country of incorporation	Place of Activity	Principle Activity	Percentage holding-share
Afcons Vijeta PES Joint Venture	India	India	Infrastructure	100%
Afcons Sibmost Joint Venture	India	India	Infrastructure	100%
Dahej Standby Jetty Project undertaking	India	India	Infrastructure	100%
Afcons Gunanusa Joint Venture	India	India	Infrastructure	100%
Afcons Pauling Joint Venture	India	India	Infrastructure	100%
Afcons SMC Joint Venture	India	Tanzania	Infrastructure	100%
Afcons - Vijeta Joint Venture	India	India	Infrastructure	100%
Afcons JAL Joint Venture	India	India	Infrastructure	100%
Transtonnelstroy Afcons Joint Venture	India	India	Infrastructure	99%
Afcons KPTL Joint Venture	India	Bangladesh	Infrastructure	51%
Afcons Sener LNG Construction Projects Private Limited	India	India	Infrastructure	49%
Ircon Afcons Joint Venture	India	Bangladesh	Infrastructure	47%
Strabag AG Afcons Joint Venture	India	India	Infrastructure	40%
Afcons Infrastructure Limited and Vijeta Projects and Infrastructures Limited Joint Venture	India	Tanzania / Rwanda	Infrastructure	100%
Afcons - Vijeta Joint Venture	India	Zimbabwe	Infrastructure	100%
Afcons - Hindustan Joint Venture	India	India	Infrastructure	100%

AFCONS INFRASTRUCTURE LIMITED

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 3. Property, plant and equipment

A. Tangible assets

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2023	Additions	Disposals	Balance as at 31st March, 2024	Balance as at 1st April, 2023	Depreciation for the year	Disposals	Balance as at 31st March, 2024	Balance as at 31st March, 2024
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	21.81	1.04	-	22.85	29.54
(c) Plant and equipment	3,206.22	469.55	(27.99)	3,647.78	1,543.89	295.66	(21.34)	1,818.21	1,829.57
(d) Furniture and fixtures	81.26	8.62	(6.69)	83.19	31.15	7.50	(5.52)	33.13	50.06
(e) Vehicles	46.18	16.89	(5.61)	57.46	24.06	4.32	(3.23)	25.15	32.31
(f) Office equipments	65.46	7.99	(7.75)	65.70	45.30	8.21	(7.16)	46.35	19.35
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	302.45	83.73	-	386.18	111.05	19.52	-	130.57	255.61
(i) Laboratory equipments	4.10	0.06	-	4.16	1.40	0.18	-	1.58	2.58
(j) Shuttering materials	488.14	108.46	-	596.60	355.41	86.87	-	442.28	154.32
(k) Accessories and attachments	176.90	69.97	-	246.87	96.30	27.06	-	123.36	123.51
Total	**4,630.36**	**765.27**	**(48.04)**	**5,347.59**	**2,233.16**	**450.36**	**(37.25)**	**2,646.27**	**2,701.32**

Previous year

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	20.77	1.04	-	21.81	30.58
(c) Plant and equipment	2,859.20	410.80	(63.78)	3,206.22	1,284.65	297.13	(37.89)	1,543.89	1,662.33
(d) Furniture and fixtures	70.50	17.97	(7.21)	81.26	27.90	7.07	(3.82)	31.15	50.11
(e) Vehicles	47.24	3.82	(4.88)	46.18	24.51	4.08	(4.53)	24.06	22.12
(f) Office equipments	58.26	10.27	(3.07)	65.46	40.60	7.33	(2.63)	45.30	20.16
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	266.97	35.48	-	302.45	93.23	17.82	-	111.05	191.40
(i) Laboratory equipments	4.10	-	-	4.10	1.22	0.18	-	1.40	2.70
(j) Shuttering materials	392.13	96.01	-	488.14	284.08	71.33	-	355.41	132.73
(k) Accessories and attachments	135.68	41.22	-	176.90	75.25	21.05	-	96.30	80.60
Total	**4,093.73**	**615.57**	**(78.94)**	**4,630.36**	**1,855.00**	**427.03**	**(48.87)**	**2,233.16**	**2,397.20**

Notes:

Freehold land with a carrying amount of ₹ 203.00 Crores (As at 31st March, 2023 ₹ 203.00 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i). and 20.

Buildings carrying amount of ₹ 21.82 Crores (As at 31st March, 2023 ₹ 22.68 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i). and 20.

Plant and machinery, vehicles, office equipments, floating equipments, laboratory equipments and accessories and attachments with a carrying amount of ₹ 2,250.32 Crores (As at 31st March, 2023 ₹ 1,969.95 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No.14.1.(i). and 20.

B. Capital Work-in-Progress:

Capital Work-in-Progress - Movement (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	183.60	17.53
Add: Additions during the year	24.78	183.41
Less: Capitalised during the year	(165.31)	(17.34)
Closing Balance	43.07	183.60

Capital Work-in-Progress - Ageing Schedule

(₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	43.07	-	-	-	**43.07**
Projects temporarily suspended	-	-	-	-	**-**

Previous Year	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	**Total**
Project in progress	183.60	-	-	-	**183.60**
Projects temporarily suspended	-	-	-	-	**-**

The Company does not have any CWIP whose completion is overdue or has exceeded Its cost compared to its original plan and hence CWIP completion schedule is not applicable.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 3. Property, plant and equipment (continued)

C. Intangible assets

(₹ in Crores)

Particulars	Gross carrying value				Amortisation				Net carrying value
	Balance as at 1st April, 2023	Additions	Disposals	Balance as at 31st March, 2024	Balance as at 1st April, 2023	Amortisation for the year	Disposals	Balance as at 31st March, 2024	Balance as at 31st March, 2024
Computer software - acquired	13.14	0.03	-	13.17	12.53	0.04	-	12.57	0.60
Total	**13.14**	**0.03**	**-**	**13.17**	**12.53**	**0.04**	**-**	**12.57**	**0.60**

Previous year

(₹ in Crores)

Particulars	Gross carrying value				Amortisation				Net carrying value
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Amortisation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Computer software - acquired	13.14	-	-	13.14	12.49	0.04	-	12.53	0.61
Total	**13.14**	**-**	**-**	**13.14**	**12.49**	**0.04**	**-**	**12.53**	**0.61**

D. Right-of-use Asset

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2023	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2024	Balance as at 1st April, 2023	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2024	Balance as at 31st March, 2024
Land	105.56	13.54	(1.52)	**117.58**	63.15	24.68	-	**87.83**	**29.75**
Buildings	83.52	50.21	(2.96)	**130.77**	77.21	15.48	(0.08)	**92.61**	**38.16**
Total	**189.08**	**63.75**	**(4.48)**	**248.35**	**140.36**	**40.16**	**(0.08)**	**180.44**	**67.91**

Previous year

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2022	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Land	89.16	21.73	(5.33)	**105.56**	38.20	24.95	-	**63.15**	**42.41**
Buildings	75.08	20.93	(12.49)	**83.52**	60.48	16.78	(0.05)	**77.21**	**6.31**
Total	**164.24**	**42.66**	**(17.82)**	**189.08**	**98.68**	**41.73**	**(0.05)**	**140.36**	**48.72**

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of Land or Building and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate);
- The Company also considers other factors including the costs and business disruption required to replace the leased asset;
- Most extension options in the leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 4. Non-current investments

	Particulars	Face Value	As at 31st March, 2024 Quantity	As at 31st March, 2024 Amount ₹ in Crores	As at 31st March, 2023 Quantity	As at 31st March, 2023 Amount ₹ in Crores
A.	**Investments at cost**					
	Unquoted investments (fully paid)					
(a)	Investment in equity instruments :					
	(i) of subsidiaries					
	Hazarat & Co. Private Limited	₹ 10	2,02,610	0.20	2,02,610	0.20
	Afcons Hydrocarbons Engineering Private Limited	₹ 10	1,00,000	0.26	1,00,000	0.26
	Afcons Corrosion Protection Private Limited	₹ 10	80,000	0.06	80,000	0.06
	Afcons Oil & Gas Services Private Limited ^^	₹ 10	10,000	0.01	7,400	0.01
	Afcons Construction Mideast LLC.**	AED 1000	300	0.51	300	0.51
	Afcons Infrastructures Kuwait for Building, Road & Marine Contracting WLL.*	KD 1200	49	0.96	49	0.96
	Afcons Mauritius Infrastructure Limited	Euro 1	11,00,000	9.17	11,00,000	9.17
	Afcons Overseas Singapore Pte. Limited	SGD 1	50,000	0.24	50,000	0.24
	Afcons Saudi Constructions LLC	SAR 100	-	-	4,750	0.80
	(ii) of others related parties					
	Afcons (Mideast) Constructions & Investments Private Limited	₹ 100	1	#	1	#
				11.41		12.21
	Less: Provision for diminution in value of investment ^			-		0.36
				11.41		**11.85**
	^ Provision is for Afcons Saudi Constructions LLC					
	* Subsidiary on the basis of control on the composition of the board of directors.					
	^^ During the year Company has acquired balance 26% shares of Afcons Oil & Gas Services Private Limited					
	** During the previous year Company has acquired balance 51% shares of Afcons Construction Mideast LLC.					
	Total Investments carried at Cost			**11.41**		**11.85**
B.	**Investment in equity instruments at fair value through other comprehensive income**					
	Quoted investments (fully paid)					
	(a) Investment in equity instruments :					
	Hindustan Oil Exploration Company Limited	₹ 10	40,072	0.71	40,072	0.48
	Hindustan Construction Company Limited	₹ 1	2,000	0.01	2,000	0.01
	Simplex Infrastructures Limited	₹ 2	500	0.01	500	#
	ITD Cementation India Limited	₹ 1	1,000	0.04	1,000	0.01
	Gammon India Limited	₹ 2	250	#	250	#
	Total aggregate quoted investments			**0.77**		**0.50**
	Unquoted investments (fully paid)					
	(b) Investment in equity instruments :					
	Simar Port Limited	₹ 10	1,000	#	1,000	#
	Total aggregate unquoted investments			**#**		**#**
	# Amount is below the rounding off norms adopted by the Company.					
	Total investments			**12.18**		**12.35**
	Aggregate carrying amount of quoted investments			0.30		0.30
	Aggregate market value of quoted investments			0.77		0.50
	Aggregate carrying amount of unquoted investments			11.41		11.85

Category-wise other investments - as per Ind-AS 109 classification: (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial assets measured at FVTPL	-	-
Financial assets carried at FVTOCI - equity instruments	0.77	0.50
Financial assets carried at amortised cost	11.41	11.85
	12.18	**12.35**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 5. Trade receivables (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
From Customers:				
a) Unsecured, Considered good (including retention monies)	2,490.38	459.56	1,792.14	648.06
b) Having Significant increase in credit risk	-	101.81	-	84.60
c) Credit Impaired	-	-	-	-
	2,490.38	561.37	1,792.14	732.66
Less: Allowance for bad and doubtful receivables (expected credit loss allowance)	-	101.81	-	84.60
	2,490.38	459.56	1,792.14	648.06
From Related parties (Refer Note 35)	463.36	39.64	253.38	3.16
Total	**2,953.74**	**499.20**	**2,045.52**	**651.22**

Note No.5.1.A. - Movement in allowance for bad and doubtful receivables (expected credit loss allowance) (₹ in Crores)

Particulars	Current	Non Current
Balance as at 1st April, 2022	-	81.74
Add: Created during the year	-	17.70
Less: Released during the year	-	(14.84)
Balance as at 31st March, 2023	-	**84.60**
Add: Created during the year	-	17.21
Less: Released during the year	-	-
Balance as at 31st March, 2024	**-**	**101.81**

Note No. 5.1.B. - Trade Receivables ageing schedule (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables						
(i) Considered good (Current)	1,403.15	363.34	330.91	144.94	285.31	**2,527.65**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	-
(iii) Considered good (Non-Current)	-	1.30	2.29	-	89.43	**93.02**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	-
Disputed Trade Receivables						
(i) Considered good (Current)	51.13	35.78	141.65	22.91	174.62	**426.09**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	6.03	-	-	141.89	258.26	**406.18**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	101.81	**101.81**

Previous Year (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables						
(i) Considered good (Current)	906.79	144.96	316.35	266.20	209.37	**1,843.67**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	-
(iii) Considered good (Non-Current)	1.15	2.11	1.60	27.18	60.61	**92.65**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	**-**	**-**	**-**	**-**
Disputed Trade Receivables						
(i) Considered good (Current)	0.03	141.65	59.40	0.01	0.76	**201.85**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	-	105.41	-	453.16	**558.57**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	84.60	**84.60**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 6. Loans (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Loans to related parties (unsecured, considered good) (Refer Note 35)				
To Subsidiaries / fellow subsidiaries	0.03	-	0.98	-
To Joint operations#	19.24	-	13.91	-
Total	**19.27**	**-**	**14.89**	**-**

These financial assets are carried at amortised cost

Interest free loan given to Transtonnelstroy-Afcons Joint Venture, Afcons Sener LNG Construction Projects Pvt. Ltd & Afcons KPTL Joint Venture towards working capital requirement repayable on demand

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Amount Outstanding	% to the total loans and advances in the nature of loans	Amount Outstanding	% to the total loans and advances in the nature of loans
Amounts repayable on demand				
- Promoters	-	0.00%	-	0.00%
- Directors	-	0.00%	-	0.00%
- Key managerial personnel	-	0.00%	-	0.00%
- Other related party	19.27	100.00%	14.89	100.00%

Note No 7. Other financial assets (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
(a) Interest on trade receivables as per arbitration awards (Including from related parties (Current) ₹ 56.28 Crores) (Previous year ₹ 56.28 Crores)	157.14	232.54	76.25	196.06
(b) Deposits (unsecured, considered good)				
(i) Security deposits	6.33	67.77	20.34	59.01
(ii) Other deposits	0.68	1.77	0.53	1.90
	7.01	69.54	20.87	60.91
(c) Advance to vendor recoverable in cash (Refer note 44)	269.55	-	271.79	-
(d) Other loans and advances (doubtful)	-	0.16	-	0.16
Less: provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
(e) Bank deposits having maturity of more than 12 months (given towards margin money / under lien)	-	35.74	-	28.27
(f) Others (includes Custom duty receivable, Encashment of Bank guarantee, etc.)	35.24	79.28	28.77	79.28
Total	**468.94**	**417.10**	**397.68**	**364.52**

Note No 8. Contract assets (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Contract assets				
Amounts due from customer under construction contracts				
Unsecured, considered good	3,758.33	1,271.01	3,115.82	1,416.49
Doubtful	-	63.38	-	53.13
	3,758.33	1,334.39	3,115.82	1,469.62
Less: Allowance for expected credit losses	-	63.38	-	53.13
Total	**3,758.33**	**1,271.01**	**3,115.82**	**1,416.49**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 8.1 - Movement in expected credit loss allowance (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Opening balance for loss allowance	-	53.13	-	47.90
Add: Loss allowance assessed for the current year (net of reversal)	-	10.25	-	5.23
Less: Reversal of loss allowance on account of debts written-off	-	-	-	-
Closing balance for loss allowance	**-**	**63.38**	**-**	**53.13**

Note No 8.2 Other non-current and current assets (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
(a) Capital advances	-	40.84	-	21.79
(b) Pre-paid expenses	75.13	12.32	81.41	17.15
(c) Share issue expense recoverable (Refer note below)	7.96	-	-	-
(d) Balances with government authorities				
(i) GST / VAT credit receivable	629.85	107.25	608.53	112.13
(ii) Service tax credit receivable	-	30.47	-	30.47
	629.85	137.72	608.53	142.60
(e) Others				
(i) Advance to vendors and others	245.29	-	265.01	-
(ii) Other receivables	68.98	-	87.27	-
(iii) Advances to employees	0.93	-	3.71	-
	315.20	-	355.99	-
Total	**1,028.14**	**190.88**	**1,045.93**	**181.54**

Note: Share issue expense recoverable of ₹ 7.96 Crores are incurred towards proposed Initial Public Offer, which will be partly set off against securities premium on completion of IPO (proportion of fresh issue to total issue size) and partly recoverable from the Promoter Selling Shareholders (proportion of Offer for sale to total issue size). Further, this amount includes ₹ 2.39 Crores payable to the joint statutory auditors.

Note No 9. Inventories - at lower of cost or net realisable value (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Construction materials		
Steel	730.97	789.30
Cement	13.60	20.96
Aggregate	90.09	105.49
Other construction material	103.55	280.27
	938.21	1,196.02
Stores and spares	662.72	374.64
	662.72	374.64
Total	**1,600.93**	**1,570.66**

Note No 10. Cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks	278.52	110.88
Cash on hand	2.27	2.07
Total	**280.79**	**112.95**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the year.

Note No 10.1. Bank balance other than cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Earmarked balance with banks		
- Unpaid dividend accounts	0.03	0.03
- Balances held as margin money or security against borrowings, guarantees and other commitments	41.59	46.01
- Other earmarked accounts / escrow account	1.77	1.68
Deposits having maturity of more than 3 months but less than 12 months	200.76	1.75
Total	**244.15**	**49.47**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 11. Non current tax assets (Net) (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance income tax (net of provisions ₹ 269.03 Crores) (As at 31st March, 2023 ₹ 210.61 Crores)	53.64	28.80
Total	**53.64**	**28.80**

Note No 12. Share Capital

Note No 12.(A). Equity share capital

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. **Authorized:**				
Equity share capital of ₹ 10 each	1,00,00,00,000	1,000.00	35,00,00,000	350.00
2. **Issued, subscribed and fully paid up:**				
Equity shares of ₹ 10 each. (Refer note 12.1 and 12.3 below)	34,07,38,269	340.74	7,19,70,238	71.97

12.1. Rights, preferences and restrictions attached to equity shares:

A member has a right to receive dividend as may be proposed by the board and approved at the annual general meeting. The Equity shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provision of the Act. Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

12.2. Details of equity shares held by each shareholder holding more than 5% of shares of the Company and Details of Shareholding of Promoters:

Class of shares / name of shareholder	As at 31st March, 2024		As at 31st March, 2023		Percentage Change in shareholding during the year
	Number of shares held	% holding	Number of shares held	% holding	
Equity shares					
Promoters:					
Goswami Infratech Private Limited	24,65,40,258	72.35	-	-	100.00
Shapoorji Pallonji & Company Private Limited	5,66,81,410	16.63	4,91,05,652	68.23	15.43
Floreat Investments Private Limited **	2,76,67,944	8.12	1,30,15,929	18.09	112.57
Promotor Group:					
Renaissance Commerce Private Limited*	40,24,619	1.18	-	-	-
Hermes Commerce Private Limited*	40,54,970	1.19	-	-	-
	33,89,69,201	**99.48**	**6,21,21,581**	**86.32**	97.54
Non Promoters:					
Renaissance Commerce Private Limited *	-	-	40,24,619	5.59	-
Hermes Commerce Private Limited *	-	-	40,54,970	5.63	-

* wholly owned subsidiary of Goswami Infratech Private Limited

** wholly owned subsidiary of Shapoorji Pallonji & Company Private Limited

12.3. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Issued, subscribed and fully paid up	
	Numbers	₹ in Crores
Equity shares outstanding as at 1st April, 2022	**7,19,70,238**	**71.97**
Changes in equity share capital during the year	**-**	**-**
Equity shares outstanding as at 31st March, 2023	**7,19,70,238**	**71.97**
Changes in equity share capital during the year :		
Add: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares	**24,65,40,258**	**246.54**
Add: Equity Share issued upon conversion of 0.01% Non cumulative and non profit participatory convertible preference shares	**1,46,52,015**	**14.65**
Add: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares	**75,75,758**	**7.58**
Equity shares outstanding as at 31st March, 2024	**34,07,38,269**	**340.74**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 12.(B). Instruments entirely equity in nature

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. Authorized:				
Preference shares of ₹ 10 each.	75,00,00,000	750.00	65,00,00,000	650.00
Total	**75,00,00,000**	**750.00**	**65,00,00,000**	**650.00**
2. Issued, subscribed and fully paid up:				
(a) 0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10 each held by Floreat Investments Private Limited upto 13th January 2024 (Refer note 12.5 below)	-	-	10,00,00,000	100.00
(b) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each held by Goswami Infratech Private Limited upto 13th January 2024 (Refer note 12.6 below)	-	-	25,00,00,000	250.00
(c) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10 each held by Shapoorji Pallonji & Company Private Limited upto 14th February 2024 (Refer note 12.7 below)	-	-	10,00,00,000	100.00

12.4. Reconciliation of number of Preference Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Issued, subscribed and fully paid up	
	Numbers	₹ in Crores
Preference shares outstanding as at 1st April, 2022	**45,00,00,000**	**450.00**
Changes in Preference share capital during the year	-	-
Preference shares outstanding as at 31st March, 2023	**45,00,00,000**	**450.00**
Changes in preference share capital during the year :		
Less: Equity Share issued upon conversion of 0.01% Non cumulative and non profit participatory convertible preference shares which were held by Floreat Investments Private Limited	**10,00,00,000**	**100.00**
Less: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares which were held by Goswami Infratech Private Limited	**25,00,00,000**	**250.00**
Less: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares which were held by Shapoorji Pallonji & Company Private Limited	**10,00,00,000**	**100.00**
Preference shares outstanding as at 31st March, 2024	**-**	**-**

12.5. Rights, preferences and restrictions attached to 0.01% Non Cumulative and non profit participatory convertible preference shares:

(a) The Preference Shares issued were non- cumulative and non profit participating convertible Preference Shares which were carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares.

(b) The terms of these Preference Shares were varied with consent of the Preference Shareholder and the special resolution was passed with requisite majority of the members of the Company vide Postal Ballot effective on 30th November, 2018 whereby the preference shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25/- per equity share (consisting of par of ₹ 10/- and a premium of ₹ 58.25/-) immediately, automatically and without any further act of the parties in the event of conversion of the preference shares by Goswami Infratech Private Limited.

(c) Every member of the Company holding preference shares were having right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

(d) On Mandatory conversion date i.e. 13th January 2024, pursuant to the resolution passed by the Stakeholders Relationship Committee of the Company on 13th January 2024 and in terms of the conversion terms stated in 12.4 (b) above, the said Preference shares were converted into equity shares of the Company and the said Preference shareholder (i.e. Floreat Investments Private Limited) was allotted 1,46,52,015 equity shares of ₹ 10/- each against the conversion of 10,00,00,000 Preference shares of ₹ 10/- each held by it. Accordingly, the Preference Shares held by Floreat Investments Private Limited stands extinguished. Resultantly, the equity shareholding of Floreat Investments Private Limited as on 31st March, 2024 stands increased from 1,30,15,929 equity shares to 2,76,67,944 equity shares of face value of ₹ 10/- each.

(e) The Board of Directors of the Company at its meeting held on 14th June, 2024 has recommended for approval of the members at the ensuing Annual General Meeting declaration of dividend @ 0.01% for the financial year 2023-24 on the preference shares held by it for the proportionate period of FY 2023-24 (i.e. from 01st April 2023 until the date of conversion of preference shares into equity shares on 13th January, 2024).

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

12.6. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares issued were entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which were be paid in priority to the holder of any other class of shares. According to the terms and conditions, which were approved by the equity shareholders via passing special resolution on 17th July, 2020, the preference shares had early conversion rights at any time on or after 31st July, 2020 ("Early conversion date") prior to 13th January, 2024 ("Mandatory conversion date").

(b) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares, in accordance with the provision of section 47 of Companies Act, 2023.

(c) The preference share and all equity shares issued on the conversion of the preference shares shall be freely transferable at the option of the holders of the preference shares. The Company confirms that the Board of Directors of the Company has duly approved the issuance and the terms of the preference share, including the right of the preference share holder to freely transfer the preference shares and the equity shares issued on the conversion of the preference shares and the Board of Directors of the Company shall not raise any objections under Article 37 of the Articles to any such transfer.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares were entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).The preference shares were not conferred any further right to participate in the profits or assets of the Company except as mentioned above.

(e) The terms and conditions of compulsory convertible preference shares held by Goswami Infratech Private Limited (GIPL) were amended in 2022 by varying / deferring the Early Conversion date 'on or after 31st January, 2023' from 'any date on or after 31st July, 2020' via passing a special resolution. Accordingly the preference shares were carrying rights of automatically and mandatorily be converted into equity shares on 13th January, 2024 ("mandatory conversion date") or any early date of conversion at the instruction of the Preference shareholder ("early conversion date").

(f) As per the terms and conditions, on mandatory conversion date or the early conversion date, as the case maybe, the preference shares were to be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares of the Company. Such equity shares of the Company shall at all times constitute atleast 72% (seventy-two per cent) of the outstanding equity shares of the Company on a fully diluted basis.

(g) During the year, on mandatory conversion date, pursuant to the resolution passed by the Stakeholders Relationship Committee of the Company on 13th January 2024 , the said preference shares were converted into equity shares of the Company and the said Preference shareholder (i.e. Goswami Infratech Private Limited) were allotted 24,65,40,258 equity shares of ₹ 10/- each against the conversion of 25,00,00,000 preference shares of ₹ 10/- each held by GIPL. Accordingly, the preference shares held by Goswami Infratech Private Limited stands extinguished. Resultantly, the equity shareholding of Goswami Infratech Private Limited as on 31st March, 2024 was 24,65,40,258 equity shares of face value of ₹ 10/- each.

(h) The Board of Directors of the Company at its meeting held on 14th June, 2024 has recommended for approval of the members at the ensuing Annual General Meeting declaration of dividend @ 0.01% for the financial year 2023-24 on the preference shares held by it for the proportionate period of FY 2023-24 (i.e. from 01st April 2023 until the date of conversion of preference shares into equity shares on 13th January, 2024).

12.7. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares issued were entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which were be paid in priority to the holder of any other class of shares. According to the terms and conditions, the preference shares had early conversion rights at any time on or after 14th February, 2024 ("Early conversion Date") prior to 21st March, 2024 ("Mandatory conversion date").

(b) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

(c) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares were entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).The preference shares were not conferred any further right to participate in the profits or assets of the Company except as mentioned above.

(d) As per the terms and conditions, on Mandatory Conversion Date or the Early Conversion Date (as the case may be) the preference shares shall be converted into such number of equity shares of the Company at the price of ₹ 132/- per equity shares (consisting of par of ₹ 10/- and a premium of ₹ 122/- per share) provided that in case of any fraction arising on conversion of preference shares into equity shares, such fraction equity shares shall be rounded off to the nearest number.

(e) Pursuant to the consent of the preference shareholder received vide their letter dated 29th December 2023 and there other class preference shareholder on 1st January 2024 and 2nd January, 2024 respectively , the Board of Directors of the Company had pursuant to it resolution taken at its meeting held on 5th January, 2024 initiated the action to obtain shareholders approval to the variation of the terms of the preference shares held by the preference shareholder (Shapoorji Pallonji and Company Private Limited) to provide for an option to the preference shareholders for exercise of right of an early conversion of the said preference shares on any day on or after 14th February 2024 but prior to the mandatory conversion date of 21st March, 2024. Accordingly, the requisite approval of the equity shareholder to the said variation of the terms of the preference shares was accorded on 8th February, 2024 vide Postal Ballot Process.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

(f) Shapoorji Pallonji and Company Private Limited vide its letter date 12th February, 2024 requested for early conversion of the said preference shares on 14th February, 2024. Accordingly, pursuant to the resolution passed by the Board of Directors of the Company on 14th February, 2024, the said preference shares were converted into equity shares of the Company and the said Preference shareholder (i.e.Shapoorji Pallonji and Company Private Limited) was allotted 75,75,758 equity shares of ₹ 10/- each against the conversion of 10,00,00,000 preference shares of ₹ 10/- each held by it. Accordingly, the preference shares held by Shapoorji Pallonji and Company Private Limited stands extingushed. Resultantly, the equity shareholding of Shapoorji Pallonji and Company Private Limited as on 31st March, 2024 stands increased from 4,91,05,652 equity shares to 5,66,81,410 equity shares of face value of ₹ 10/- each.

(g) The Board of Directors of the Company at its meeting held on 14th June, 2024 has recommended for approval of the members at the ensuing Annual General Meeting declaration of dividend @ 0.01% for the financial year 2023-24 on the preference shares held by it for the proportionate period of FY 2023-24 (i.e. from 01st April, 2023 until the date of conversion of preference shares into equity shares on 14th February, 2024).

12.8. Details of preference shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2024		As at 31st March, 2023		Percentage Change in shareholding during the year
	Number of shares held	% holding	Number of shares held	% holding	
0.01% Non cumulative and non profit participatory convertible preference shares					
Floreat Investments Private Limited	-	-	10,00,00,000	100.00	(100.00)
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares					
Goswami Infratech Private Limited	-	-	25,00,00,000	100.00	(100.00)
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares					
Shapoorji Pallonji & Company Private Limited	-	-	10,00,00,000	100.00	(100.00)

Note No 12.9. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2024		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares		
Holding Company			
Goswami Infratech Private Limited	24,65,40,258	-	-
Subsidiaries of the holding company:			
Hermes Commerce Private Limited	40,54,970	-	-
Rennaisance Commerce Private Limited	40,24,619	-	-

(Previous Year)

Particulars	As at 31st March, 2023		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares		
Holding Company			
Shapoorji Pallonji & Company Private Limited	4,91,05,652	-	10,00,00,000
Subsidiaries of the holding company:			
Floreat Investments Private Limited	1,30,15,929	10,00,00,000	-

Note No 12.10.
For the period of Five years immediately preceding the date as at which the Balance Sheet is prepared:

i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash: Nil

ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil

iii) Aggregate number and class of shares bought back: Nil

Note No 12.11.

The word company used in the Balance Sheet and Statement of Profit & Loss including the accompanying notes to accounts is defined as "Afcons Infrastructure Limited" including all of its branches and Jointly Controlled Operations.

Note No 12.12.

The Board of Directors at its meeting held on 14th June, 2024 has recommended to the members for approval, at the ensuing Annual General Meeting of the Company, declaration of equity dividend of 25% (i.e. ₹ 2.50/- per equity share of ₹ 10/- each) to the equity shareholders of the Company for the financial year 2023-2024. Goswami Infratech Private Limited, Floreat Investments Private Limited and Shapoorji Pallonji & Company Private Limited (erstwhile holders of Preference shares to whom equity shares have been allotted on 13th January, 2014 and 14th February, 2014 respectively) shall be paid proportionate equity dividend on the equity shares (allotted against the convertible preference shares) from the date of the allotment of equity shares until the end of the financial year ending 31st March, 2024.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 13. Other Equity

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital reserve	0.19	0.19
Capital redemption reserve	0.13	0.13
Securities premium account	191.51	10.28
Contingency reserve	8.00	8.00
General reserve	65.70	65.70
Foreign exchange translation reserve through other comprehensive income	(3.56)	(4.94)
Retained earnings	2,453.02	2,048.25
Reserve for equity instruments through other comprehensive income	19.56	19.30
Total	**2,734.55**	**2,146.91**

Movement in other equity

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Capital reserve		
Opening balance	0.19	0.19
Closing balance	0.19	0.19
(b) Capital redemption reserve		
Opening balance	0.13	0.13
Closing balance	0.13	0.13
(c) Securities premium account		
Opening balance	10.28	10.28
Add : Premium on shares issued during the year	181.23	-
Closing balance	191.51	10.28
(d) Contingencies reserve		
Opening balance	8.00	8.00
Closing balance	8.00	8.00
(e) General reserve		
Opening balance	65.70	65.70
Closing balance	65.70	65.70
(f) Foreign currency translation reserve		
Opening balance	(4.94)	(27.88)
Add : Effect of foreign exchange rate variations during the year	1.38	22.94
Closing balance	(3.56)	(4.94)
(g) Retained earnings		
Opening balance	2,048.25	1,640.73
Add: Profit for the year	442.12	409.67
Add: Other items classified to other comprehensive income	(8.51)	(2.10)
Less: Appropriations		
Dividend on equity shares (₹ 4.00 per share) (Previous year ₹ Nil)	(28.79)	-
Dividend on preference shares (₹ 0.001 per share) (Previous year ₹ 0.001 per share)	(0.05)	(0.05)
Closing balance	2,453.02	2,048.25
(h) Reserve for equity instruments through other comprehensive income		
Opening balance	19.30	19.70
Net fair value gain/(loss) on investments in equity instruments measured at FVTOCI	0.26	(0.40)
Closing balance	19.56	19.30
Total	**2,734.55**	**2,146.91**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies

Capital redemption reserve

As per the provisions of Companies Act, capital redemption reserve is created out of the general reserve for the amount equivalent to the paid up capital of shares bought back by the company.

Securities premium account

Where Company issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" as per the provisions of applicable Companies Act. This reserve is utilized as per the provisions of the Companies Act.

Contingency reserve

The contingency reserve was created to protect against loss for amounts due from a partnership firm.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the foreign operations from their functional currencies to the presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Retained earning and dividend on equity shares:

This represent the surplus / (deficit) of the profit or loss. The amount that can be distributed by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amount reported above are not distributable in entirety.

Reserve for equity instrument measured through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

Note No 14. Non current borrowings (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Measured at amortised cost		
(a) Equipment loan (Secured) (Refer note 14.1.(i))		
From banks		
Rupee loan	586.88	479.52
(b) Other loans and advances		
Foreign Currency Loan (Secured) (Refer note 14.1.(ii))		
Buyers Credit from Banks	10.81	116.96
Total	**597.69**	**596.48**

14.1 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2024	As at 31st March, 2023
		Secured	Secured
14.1 (i) Equipment loan from banks			
Rupee loan:			
HSBC Bank	Refer note 14.1 (iii)	6.25	18.75
State Bank of India		40.00	80.00
SBM Bank		5.55	16.67
Indian Bank		100.43	-
Export Import Bank of India		229.65	259.18
Punjab National Bank		119.98	68.83
Bank of Baroda		56.22	36.09
Union Bank of India		28.80	-
Total - Equipment loan		**586.88**	**479.52**
(ii) Other Loans and Advances from banks - Buyer's Credit Foreign Currency Loans			
State Bank of India	Refer note 14.1 (iv)	10.81	116.96
Total - Other loans and advances		**10.81**	**116.96**
Total long-term borrowings from banks		**597.69**	**596.48**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

14.1 (iii). Secured by first pari passu charge on plant & machinery. The rupee loan of HSBC Limited carry interest @ 9.75% per annum, State Bank of India carry interest @ 9.30% per annum, SBM Bank carry interest @ 10.15% per annum, Indian Bank Loan No. 1 carry interest @ 9.60%, Indian Bank Loan No. 2 carry interest @ 9.85% Export Import Bank of India Loan No. 1 carry interest @ 10.00% per annum, Export Import Bank of India Loan No. 2 carry interest @ 10.05% per annum, Punjab National Bank carry interest @ 9.65% per annum, Bank of Baroda carry interest in the range of 8.30% to 8.95% per annum and Union Bank of India carry interest in the range of 9.05% to 9.15%. The repayment schedule of the loans are as follows:

As at 31st March, 2024

Nature	Bank name	Loan amount (₹ in Crores)	Repayment schedule
Rupee Loan	HSBC Bank	6.25	Semi annual installment of ₹ 6.25 Crores upto 2025-26
	State Bank of India	40.00	Semi annual installment of ₹ 20.00 Crores upto 2025-26
	SBM Bank	5.55	Semi annual installment of ₹ 5.55 Crores upto 2025-26
	Indian Bank	100.43	Repayable in 20 Equal quarterly installment for both loans
	Export Import Bank of India	229.65	Each monthly installment of ₹ 3.70 Crores upto 2026-27 for Loan 1 and ₹ 3.03 Crores for Loan 2 upto 2029-30
	Punjab National Bank	119.98	Each Quarterly Installment of ₹ 10.00 Crores upto 2027-28
	Bank of Baroda	56.22	57 equal monthly installments (EMI Basis)
	Union Bank of India	28.80	72 equal monthly installments of ₹ 0.69 Crores

14.1 (iv): Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest @ 4.73% per annum. The repayment schedule of the loans are as follows.

As at 31st March, 2024

Nature	Bank name	Loan amount (₹ in Crores)	Repayment schedule
Buyers Credit	State Bank of India	10.81	Repayment in 2025-26

Note No 15. Trade payables (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to micro and small enterprises	198.45	23.21	375.93	51.95
(b) Total outstanding due to creditors other than micro and small enterprises	4,047.76	407.79	3,064.89	420.89
Total	**4,246.21**	**431.00**	**3,440.82**	**472.84**

Trade payables ageing schedule (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	59.44	105.45	24.30	15.51	15.09	**219.79**
(ii) Others	1,695.62	2,111.05	325.31	201.26	120.33	**4,453.57**
Disputed trade payables						
(i) Micro and small enterprises	-	-	0.01	0.81	1.05	**1.87**
(ii) Others	0.03	-	-	-	1.95	**1.98**

Pervious Year (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	171.70	196.35	27.36	7.90	23.90	**427.21**
(ii) Others	2,178.13	1,050.34	90.41	90.70	74.29	**3,483.87**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	0.67	**0.67**
(ii) Others	-	-	-	-	1.91	**1.91**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Disclosures as required under the micro, small and medium enterprises development Act, 2006 (MSMED Act) (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period:		
Principal amount remaining unpaid	261.27	688.93
Interest due and unpaid interest	34.72	13.64
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	4.76	8.85
The amount of interest accrued and remaining unpaid at the end of accounting period;	4.33	8.05
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	43.81	30.54

Note No 16. Other financial liabilities (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
(a) Capital creditors				
(i) Total outstanding due to micro and small enterprises	0.46	-	5.43	-
(ii) Total outstanding due to creditors other than micro and small enterprises	29.20	-	95.29	-
(b) Employee benefit payables	96.22	-	101.93	-
(c) Unclaimed / unpaid dividends #	0.03	-	0.03	-
(d) Interest accrued on advance from customers	34.72	-	38.79	-
(e) Other payables :				
(i) Trade / security deposits received	53.24	-	64.41	-
(ii) Amount received on invocation of bank guarantees	-	7.51	-	7.51
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others (includes differential interest on EXIM Bank funded projects)	55.91	119.01	56.33	149.36
Total - Other payables	**109.15**	**126.53**	**120.74**	**156.88**
Total	**269.78**	**126.53**	**362.21**	**156.88**

The figures reflect the position as at year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due dates.

Note No 17. Contract liabilities (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Contract liabilities				
Amount due to customers	556.15	-	1,121.02	-
Advances from customers	2,392.81	1,451.29	1,779.11	1,524.03
Total	**2,948.96**	**1,451.29**	**2,900.13**	**1,524.03**

Note No 17.1 Other non-current and current liabilities (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Statutory remittances (VAT, GST, Service tax, Contributions to PF, Superannuation, ESIC, Withholding taxes, Labour welfare cess, etc.)	83.59	-	116.01	-
Other payables :				
Advance against sale of scrap	1.52	-	2.28	-
Advance from subsidiaries	14.85	-	14.77	-
Total	**99.96**	**-**	**133.06**	**-**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 18. Provisions (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Provision for employee benefits:*				
Provision for leave encashment	57.67	-	47.96	-
Provision for gratuity	17.37	9.31	10.00	8.87
	75.04	9.31	57.96	8.87
Provision - Others:				
Provision for doubtful advance	75.00	-	75.00	-
Provision for foreseeable losses for onerous contracts (Refer note 18.1)	77.18	-	17.06	-
Total	**227.22**	**9.31**	**150.02**	**8.87**

* The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and gratuity.

Note No. 18.1 - Movement in Provision for foreseeable losses for onerous contracts (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Opening Balance	17.06	-	14.02	-
Add: Additions made during the year	62.14	-	15.04	-
Less: Reversals made during the year	(2.01)	-	(12.03)	-
Add: Exchange differences	(0.01)	-	0.03	-
Closing Balance	**77.18**	**-**	**17.06**	**-**

Note No 19. Current tax liabilities (net) (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for tax (net of advance tax ₹ 92.61 Crores) (As at 31st March, 2023 ₹ 169.34 Crores)	83.89	93.55
Total	**83.89**	**93.55**

Note No 20. Current borrowings (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) **Current maturities of long-term debts** (Refer note 20.1 below)	240.59	192.64
(b) **Working capital demand loans from banks**		
Secured (Refer note 20.2 below)	1,237.55	717.60
(c) **Short term Loans from Bank**		
Foreign Currency Loan:		
Buyers Credit		
Secured (Refer Note 20.2 below)	180.23	43.95
(d) **Cash credit facility from banks**		
Secured (Refer note 20.2 below)	16.67	12.16
(e) **Acceptances**	182.28	-
(f) **From related parties (Unsecured)**	14.85	15.13
Total	**1,872.17**	**981.48**

Note 20.1: Current maturities of long-term debts (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Equipment loans from banks (Rupee Loan) (Secured) #	236.85	191.23
Interest accrued but not due on borrowings	3.74	1.41
Total	**240.59**	**192.64**

For nature of security and interest rate refer note no.14.1

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 20.2: Details of security for the secured short-term borrowings: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2024	As at 31st March, 2023
Working capital demand loans (WCDL)			
From banks:			
State Bank of India	Refer note 20.3 below	300.00	200.00
IDBI Bank		30.00	30.00
Indian Bank		30.00	30.00
Export Import Bank of India		300.00	300.00
Bank of Baroda		110.00	110.00
Union Bank of India		14.95	-
Bank of India		-	30.00
UCO Bank		30.00	-
Punjab National Bank		72.00	17.00
DBS Bank		200.00	-
HSBC Bank		150.00	-
Yes Bank		0.60	0.60
		1,237.55	717.60
Short term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Axis Bank	Refer note 20.3 below	60.37	33.23
State Bank of India	Refer note 20.3 below	119.86	10.72
Cash credit facility and Book overdraft	Refer note 20.3 below	16.67	12.16

Note 20.3:

(i) Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / working capital demand loan is further secured by the Company's proportionate share of current assets in all the joint ventures both present and future.

(ii) Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 8.15% to 10.30% per annum (As at 31st March, 2023 interest ranging from 7.85% to 10.15% per annum).

Buyers Credit carry interest ranging from @ 4.63% to 6.30% per annum (As at 31st March, 2023 interest ranging from @ 2.02% to 6.85% per annum).

Note No 21. Current tax and deferred tax

(a) Income tax expense (₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Current tax:		
in respect of current year	200.20	189.39
in respect of prior years	15.38	28.58
Deferred tax		
in respect of current year	7.24	(4.62)
Total income tax expense recognised in the statement of profit and loss account	**222.82**	**213.35**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate: (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Amount	Tax rate	Amount	Tax rate
Profit before tax	664.94		623.02	
Income tax using the Company's domestic tax rate #	167.35	25.17%	156.80	25.17%
Effect of income that is exempt from taxation				
Non-taxable income	-	0.00%	(0.05)	-0.01%
Loss in respect of which deferred tax assets not recognised due to uncertainty	4.50	0.68%	5.69	0.91%
Disallowable expenses	5.50	0.83%	1.89	0.30%
Effect of tax rates differences of entities operating in other jurisdictions having different tax rates	23.44	3.53%	10.29	1.65%
Charge/(credit) in respect of previous years	15.38	2.31%	28.58	4.59%
Others	6.65	1.00%	10.15	1.63%
Income tax expenses recognised in Statement of Profit and Loss	**222.82**	**33.52%**	213.35	34.24%

The tax rate used for the financial years 2023-24 reconciliations above is the corporate tax rate of 25.17% payable by the corporate entities in India on taxable profits under the Indian tax law.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

(c) Movement of deferred tax

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024			
	Opening balance	Recognised in Profit and Loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	31.77	(15.37)	-	16.40
Right-of-use assets	12.26	4.83	-	17.09
Arbitration awards	145.14	67.98	-	213.12
	189.17	57.44	-	246.61
Tax effect of items constituting deferred tax assets				
Employee benefits	(16.82)	(1.55)	(2.86)	(21.23)
Adjustment of Ind AS 116	(12.44)	(4.73)	-	(17.17)
Expected credit loss	(22.04)	(6.91)	-	(28.95)
Provisions	(35.84)	(15.13)	-	(50.97)
Others (Disallowances u/s 43B(h)	(2.74)	(21.88)	-	(24.62)
	(89.88)	(50.20)	(2.86)	(142.94)
Net tax liabilities	**99.29**	**7.24**	**(2.86)**	**103.67**

(₹ in Crores)

Particulars	For the Year ended 31st March, 2023			
	Opening balance	Recognised in Profit and Loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	56.48	(24.71)	-	31.77
Right-of-use assets	16.49	(4.23)	-	12.26
Arbitration awards	123.42	21.72	-	145.14
	196.39	(7.22)	-	189.17
Tax effect of items constituting deferred tax assets				
Employee benefits	(18.51)	2.39	(0.70)	(16.82)
Adjustment of Ind AS 116	(17.12)	4.68	-	(12.44)
Expected credit loss	(16.26)	(5.78)	-	(22.04)
Provisions	(39.89)	4.05	-	(35.84)
Others (Disallowances u/s 40a)	-	(2.74)	-	(2.74)
	(91.78)	2.60	(0.70)	(89.88)
Net tax liabilities	**104.61**	**(4.62)**	**(0.70)**	**99.29**

Note No 22. Revenue from operations

(₹ in Crores)

	Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
(a)	Revenue from sale of goods (Construction Materials)	137.24	58.15
(b)	Construction contract revenue (Refer note 22.1 below)	12,685.06	12,304.82
(c)	Other operating income (Refer note 22.2 below)	84.97	103.64
	Total	**12,907.27**	**12,466.61**

(₹ in Crores)

	Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
22.1	**Construction contract revenue comprises:**		
	Construction revenue	12,685.06	12,304.82
	Total	**12,685.06**	**12,304.82**
22.2	**Other operating income comprises:**		
	Sale of scrap	66.56	91.62
	Others	18.41	12.02
	Total	**84.97**	**103.64**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 23. Other income

(₹ in Crores)

	Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	131.11	41.19
(b)	Other non operating income (Refer note 23.2 below)	246.96	175.70
	Total	**378.07**	**216.89**

(₹ in Crores)

	Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
23.1	**Interest income comprises:**		
	Interest on arbitration awards	117.36	34.61
	Other Interest (includes interest on bank deposits, etc.)	13.75	6.58
	Total	**131.11**	**41.19**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors / advances no longer required written back	0.35	19.12
	Creditors / Excess provision written back	16.68	4.28
	Insurance claim received	9.65	17.43
	Provision for projected loss on contract written back	2.01	12.03
	Net gain on foreign currency transactions and translation	144.96	80.66
	Miscellaneous income	73.31	42.18
	Total	**246.96**	**175.70**

Note No 24. Cost of material consumed

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Cost of construction materials consumed (Including bought out Items)	3,833.24	3,752.97
Total	**3,833.24**	**3,752.97**

Note No 24.1. Cost of construction

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Stores and spare consumed	807.98	699.45
Subcontracting expenses	2,388.49	2,031.09
Equipments hire / rent charges	645.33	655.83
Site installation	250.49	451.11
Technical consultancy	217.77	218.71
Power and fuel consumed	539.29	622.91
Freight and handling charges	287.56	460.70
Total	**5,136.91**	**5,139.80**

Note No 25. Cost of traded goods

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Construction materials	123.30	71.12
Total	**123.30**	**71.12**

Note No 26. Employee benefits expense

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Salaries, wages and bonus	1,096.02	1,051.36
Contributions to provident and other funds:		
Contribution to provident fund	37.24	32.73
Gratuity expense	9.68	8.83
Leave encashment expense	16.08	12.41
Other Post employment benefits	40.22	35.21
Staff welfare expenses	137.01	127.26
Total	**1,336.25**	**1,267.80**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 27. Finance costs

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Interest On:		
Bank overdrafts and loans	239.55	186.62
Advance from clients	62.74	60.34
Lease liabilities	4.43	5.12
Others	109.21	51.06
	415.93	303.14
Other borrowing costs:		
Bank guarantee commission including bank charges	146.54	129.68
Others	14.33	11.32
Total	**576.80**	**444.14**

Note No 28. Depreciation and amortisation expenses

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Depreciation on tangible assets	450.36	427.03
Amortisation on intangible assets	0.04	0.04
Depreciation on right-of-use assets	40.16	41.73
Depreciation and amortisation as per Statement of Profit and Loss	**490.56**	**468.80**

Note No 29. Other expenses

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Water and electricity	20.62	18.42
Rent/ Hire charges	73.64	54.46
Repairs and maintenance - Machinery	47.61	36.80
Repairs and maintenance - Others	32.12	37.99
Insurance charges	166.27	143.82
Rates and taxes	96.71	88.66
Communication	13.69	12.58
Travelling and conveyance	141.90	128.20
Security charges	97.23	82.51
Donations and contributions	1.01	1.68
Expenditure on corporate social responsibility (CSR) (Refer Note 33)	0.17	0.07
Legal and professional charges	231.87	159.22
Payment to auditors (Refer note 29.1 below)	2.63	1.56
Advances written off	1.07	1.77
Bad / irrecoverable debtors / unbilled revenue written off	3.08	2.19
Expected credit loss on contract assets and trade receivables	27.47	22.93
Provision for foreseeable losses for onerous contracts	62.14	15.04
Loss on sale of fixed assets (Net)	8.41	21.23
Miscellaneous expenses	95.70	86.72
Total	**1,123.34**	**915.85**

Note 29.1: Details of payment to auditors

(₹ in Crores)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Auditors remuneration comprises *		
(a) To Joint Statutory Auditors		
For statutory audit (including interim audits)	2.40	1.11
For taxation matters	0.10	0.08
For other services (GST, certification work)	0.10	0.35
	2.60	**1.54**
(b) To cost auditors	0.03	0.02
	0.03	**0.02**
Total (a + b)	**2.63**	**1.56**

(* Including payments made to network firms)

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 30: Contingent liabilities and commitments (to the extent not provided for) (₹ in Crores)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
(i)	**Contingent liabilities**		
(a)	Claims against the Company not acknowledged as debts (excluding claims where amounts are not ascertainable)		
	i) Differences with sub-contractors / vendors in regard to rates and quantity of materials.	444.76	386.85
	ii) Royalty Claims*	483.64	483.64
	iii) Fine and restoration fees levied by Environmental Protection Agency, Government of Maldives for environmental damages	37.54	-
(b)	Claims against the joint operations not acknowledged as debts	148.14	147.45
(c)	Guarantees		
	Bank guarantees given on behalf of subsidiaries and counter guaranteed by the company	23.06	22.76
(d)	Sales tax and entry tax		
	Represents demands raised by sales tax authorities in matters of:	17.08	18.54
	a) disallowance of labour and service charges, consumables etc.		
	b) Tax on AS7 turnover		
	c) Entry tax and,		
	d) Interest and penalty etc. for which appeal is pending before various appellate authorities.		
	The Company is confident that the cases will be successfully contested.		
(e)	VAT		
	Represents partial disallowance by West Bengal VAT Authorities for the year 2016-17. In matters of disallowance of subcontractor charges, labour charges, PF contribution, architectural charges, cost of consumables, cost of establishment, etc. for which appeal is pending before higher appellate authority. The entity is confident that the case will be successfully contested.	0.46	0.46
(f)	Service tax		
	Represents demand confirmed by the CESTAT / Asst. commissioner of service tax for a) disallowance of cenvat credit, since abatement claimed by the Company, b) disallowance of general exemption of private transport terminals and c) taxability under "Commercial or Industrial Construction Service", etc. The Company has appealed / in the process of appeal against the said order with commissioner of service tax Mumbai,CESTAT / High court and is confident that the cases will be successfully contested. The Company has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	64.51	66.78
(g)	GST		
	Represents demand confirmed by GST Authorities for various dispute in relation to differential tax rate of GST for works contract, GST on turnover for adjustment of advance, on unbilled revenue, demand for goods confiscated, ITC not paid by the supplier, etc. and Interest and penalty for which appeal is pending before various GST authorities. The Company is confident that the cases will be successfully contested.	98.57	6.22
(h)	Income tax		
	Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The Company has obtained stay order from tax department. Company is confident that the case will be successfully contested before concerned appellate authorities.	43.49	62.55
	Note: In respect of items mentioned under paragraphs (a), (b), (d), (e), (f), (g) and (h) above, till the matters are finally decided, the financial effect cannot be ascertained and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities.		
(ii)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	83.07	97.89
	Other Commitments		
	The Company has given financial support letter for continuing operation to subsidiary - Afcons Construction Mideast LLC.	-	-

Notes:

* The Company has received a demand and a show cause notice amounting to ₹ 239.00 Crores and ₹ 244.64 Crores respectively with respect to liability on account of royalty payable on Murrum used in one of the projects. Subsequent to the show cause notice, the company has obtained a stay order on the same. Further, based on legal opinion, the Company expects that the claim is highly unlikely to materialise.

The Company has implemented the decision given in the Supreme Court Judgement in case of “Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated 20th March, 2019 issued by the Employees’ Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 w.e.f. 01st April, 2019. Basis the assessment of the management, which is supported by legal advice, the aforesaid matter is not likely to have significant impact in respect of earlier periods.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 31. Employee benefit plans

The Company has recognised following amounts in the standalone statement of profit and loss: (₹ in Crores)

Particulars	31st March, 2024	31st March, 2023
Superannuation Fund	27.06	25.41
Provident Fund	37.24	32.73
Gratuity	9.68	8.83
Leave encashment expenses	16.08	12.41
Total	**90.06**	**79.38**

a. Defined contribution plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the Life Insurance Corporation (LIC). Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The total expense recognised in statement of profit or loss of ₹ 64.30 Crores (for the year ended 31st March, 2023: ₹ 58.14 Crores) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

b. Defined benefit plans

(i) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 4 years and 240 days are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service without any ceiling limit as given under Payment of Gratuity Act, 1972.

Whereas on death of an employee the amount of gratuity payable is amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Company or as per payment of the Gratuity Act, whichever is higher.

The gratuity plan of the Company is funded and the Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using Projected Unit Credit Method.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31st March, 2024 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

c. Details of defined benefit plan - Gratuity

The principle assumptions used for the purpose of actuarial valuation (considered for the Company)

Particulars	31st March, 2024	31st March, 2023
Expected Return on Plan Assets	7.23%	7.50%
Rate of Discounting	7.23%	7.50%
Rate of Salary Increase	8.00%	8.00%

Rate of Employee Turnover	**31st March, 2024**	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
	31st March, 2023	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
Mortality Rate During Employment*	**31st March, 2024**	Indian Assured Lives Mortality 2012-14 (Urban)
	31st March, 2023	Indian Assured Lives Mortality 2012-14 (Urban)

*Based on India's standard mortality table with modification to reflect expected changes in mortality.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(₹ in Crores)

	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(i)	**Components of defined benefit cost**		
	Service cost:		
	Current service cost	8.26	7.45
	Interest cost on benefit obligation (Net)	1.42	1.38
	Total defined benefit costs recognised in standalone statement of profit or loss	**9.68**	**8.83**
	Actuarial (gains) / losses arising from changes in financial assumptions	1.94	(1.61)
	Actuarial losses arising from experience adjustments	9.43	4.41
	Total defined benefit costs recognised in OCI	**11.37**	**2.80**
	Total defined benefit costs recognised in standalone statement of profit or loss and OCI	**21.05**	**11.63**
(ii)	**Net (liabilities) recognised in the Balance Sheet**		
	Present value of defined benefit obligation	(90.53)	(72.71)
	Fair value of plan asset	63.85	53.84
	Net liabilities recognised in the Balance Sheet	**(26.68)**	**(18.87)**
(iii)	**Movements in the present value of the defined benefit obligation are as follows.**		
	Opening defined benefit obligation	72.71	63.69
	Current service cost	8.26	7.45
	Interest cost	5.45	4.61
	Remeasurement (gains)/losses:		
	Actuarial (gains) / losses arising from changes in financial assumptions	1.94	(1.61)
	Actuarial losses arising from experience adjustments	9.43	4.41
	Benefits paid	(7.26)	(5.84)
	Closing defined benefit obligation	**90.53**	**72.71**
(iv)	**Movements in the fair value of plan assets are as follows.**		
	Opening fair value of plan assets	53.84	44.68
	Interest income	4.04	3.23
	Remeasurement gain / (loss):		
	Return on plan assets (excluding interest expense)	-	-
	Contributions from the employer	13.23	11.77
	Benefits paid	(7.26)	(5.84)
	Closing fair value of plan assets	**63.85**	**53.84**

The Company pays premium of ₹ 13.23 Crores (Previous year ₹ 11.77 Crores) to the group gratuity scheme of LIC and the fund is managed by LIC

(v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 6.82 Crores (increase by ₹ 7.92 Crores) (as at 31st March, 2023: decrease by ₹ 5.43 Crores (increase by ₹ 6.30 Crores)).
2) If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 7.78 Crores (decrease by ₹ 6.83 Crores) (as at 31st March, 2023: increase by ₹ 6.21 Crores (decrease by ₹ 5.45 Crores)).
3) If the employee turnover increases (decreases) by one year, the defined benefit obligation would decrease by ₹ 0.67 Crores (increase by ₹ 0.73 Crores) (as at 31st March, 2023: decrease by ₹ 0.41 Crores (increase by ₹ 0.45 Crores)).

(vi) Sensitivity analysis method

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at 31st March, 2024 is 12 years (as at 31st March, 2023: 12 years).

The Company expects to make a contribution of ₹ 12.00 Crores (as at 31st March, 2023: ₹ 10.00 Crores) to the defined benefit plans during the next financial year.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting (₹ in Crores)

Particulars	31st March, 2024	31st March, 2023
1st Following Year	8.20	6.89
2nd Following Year	6.56	4.23
3rd Following Year	7.83	6.91
4th Following Year	7.78	6.51
5th Following Year	9.88	6.45
Sum of Years 6 To 10	34.62	31.33
Sum of Years 11 and above	119.39	98.48

d. Compensated Absences

The liability for Compensated absences (non-funded) as at year end is ₹ 57.67 Crores (as at 31st March, 2023 ₹ 47.96 Crores) covers the Company's liability for sick and privilege leave and is presented as current liabilities, since the Company does not have an unconditional right to defer the settlement of any of these obligations.

The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the period using the Projected Unit Credit Method.

Note No 32. Earnings per share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
	₹	₹
Basic earnings per share	12.97	12.02
Diluted earnings per share	12.98	12.02

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earnings per share	442.12	409.67
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	442.07	409.62
Earnings used in the calculation of basic earnings per share	**442.07**	**409.62**

The weighted average number of equity shares for the purpose of basic earnings per share is as follows:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	34,07,38,269	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
- Convertible preference shares	-	26,87,68,031
Weighted average number of shares used in calculation of basic earnings per share	**34,07,38,269**	**34,07,38,269**

Diluted earnings per share (₹ in Crores)

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit for the year attributable to shareholders of the Company - earnings used in calculation of basic earnings per share	442.12	409.67
Earnings used in the calculation of diluted earnings per share	442.12	409.67
Earnings used in the calculation of diluted earnings per share	**442.12**	**409.67**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
	Number	Number
Weighted average number of shares used in calculation of basic earnings per share	34,07,38,269	34,07,38,269
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,269**	**34,07,38,269**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 33. Corporate social responsibility:

Disclosure of Corporate Social Responsibility (CSR) expenditure in line with the requirement with Guidance Note on “Accounting for Expenditure on Corporate Social Responsibility Activities”.

As per Section 135 of the Companies Act 2013, a CSR Committee has been formed by the Company, The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art, culture, healthcare, destitute care and rehabilitation and rural development projects.

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Gross amount required to be spent by the Company during the year	1.66	-
(ii) CSR expenditure incurred during the year		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	0.17	0.07
(iii) Related party transactions as per Ind AS 24 in relation to CSR expenditure	-	-
(iv) Nature of CSR activities:		
(a) Disaster Management, including relief, rehabilitation and reconstruction activities.	-	-
(b) Promoting education, art, culture	0.09	-
(c) Promoting health care including preventive health care,etc.	0.08	0.07

CSR amount required to be spent by the company as per section 135 of The Companies Act, 2013 read with Schedule VII thereof during the year i.e. 2% of the last 3 years preceding net profits which comes to ₹ 1.66 Crores. However, same was eligible for set-off against the accumulated credit of excess voluntary CSR spending of ₹ 2.12 Crores in the preceding 3 financial years

Note 34: Segment information :

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Segment Profit before tax (before exceptional items)		
India	895.09	581.57
Other Countries	9.40	228.07
	904.49	**809.64**
Add: Unallocated income	-	-
Less: Unallocated expenses	239.55	186.62
Profit before tax	**664.94**	**623.02**

Revenue from external customers	As at 31st March, 2024	As at 31st March, 2023
India	10,006.07	8,633.19
Other Countries	2,901.20	3,833.42
Total	**12,907.27**	**12,466.61**

Segment Assets	As at 31st March, 2024	As at 31st March, 2023
India	13,517.57	12,285.39
Other Countries	3,759.13	3,336.59
	17,276.70	**15,621.98**
Intersegment eliminations	(1,731.32)	(2,025.16)
Unallocated		
Investments	12.18	12.35
Non-current tax assets	53.64	28.80
Total assets as per balance sheet	**15,611.20**	**13,637.97**

Non-current assets	As at 31st March, 2024	As at 31st March, 2023
India	2,268.98	2,504.44
Other Countries	109.22	109.32
Total non-current assets	**2,378.20**	**2,613.76**

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

(₹ in Crores)

Segment Liabilities	As at 31st March, 2024	As at 31st March, 2023
India	7,830.98	7,148.41
Other Countries	2,817.35	2,916.13
	10,648.33	**10,064.54**
Intersegment eliminations	(769.84)	(866.25)
Unallocated		
Current Borrowings	1,872.17	981.48
Non-current Borrowings	597.69	596.48
Deferred Tax Liability	103.67	99.29
Current Tax Liability	83.89	93.55
Total liabilities as per balance sheet	**12,535.91**	**10,969.09**

Non-current liabilities	As at 31st March, 2024	As at 31st March, 2023
India	1,633.29	1,361.91
Other Countries	419.99	816.39
Total non-current liabilities	**2,053.28**	**2,178.30**

Information about major customers:

No customer, individually, contributed 10% or more to the Company's revenue for the year ended 31st March, 2024. (Previous year ₹1,309.53 Crores arising from a customer in India (Viz National Capital Region Transport Corporation)).

Note 35: Related party disclosures

(a)	Details of related parties:	Nature of Relationship
	Shapoorji Pallonji and Company Private Limited (SPCPL)	Parent Company till 12th January 2024 Entity having significant influence w.e.f. 13th January 2024
	Goswami Infratech Private Limited	Parent company w.e.f 13th January 2024
	Hazarat & Company Private Limited	Subsidiaries of the Company
	Afcons Corrosion Protection Private Limited	
	Afcons Hydrocarbons Engineering Private Limited	
	Afcons Construction Mideast LLC	
	Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	
	Afcons Gulf International Project Services FZE	
	Afcons Mauritius Infrastructure Limited	
	Afcons Overseas Singapore Pte Limited	
	Afcons Infra Projects Kazakhstan LLP	
	Afcons Saudi Constructions LLC (Wound - up on 10th August, 2023)	
	Afcons Overseas Project Gabon SARL	
	Afcons Oil & Gas Services Private Limited	
	Floreat Investments Services Limited	Fellow Subsidiary(s) till 12th January 2024 Subsidiaries of entity having significant influence over the Company w.e.f. 13th January 2024 (Where there are transactions)
	ESP Port Solutions Private Limited	
	Sterling & Wilson Private Limited	
	Shapoorji Pallonji Infrastructure Capital Co. Private Limited	
	Shapoorji Pallonji Pandoh Takoli Highway Private Limited	
	Simar Port Private Limited	
	SP Oil and Gas Malaysia SDN BHD	
	Forvol International Services Limited	
	Shapoorji Pallonji Energy Private Limited (Formerly known as "Shapoorji Pallonji Oil and Gas Private Limited") ("SPEPL")	
	Shapoorji Pallonji Finance Private Limited	
	Sharus Steel Products Private Limited	
	Shapoorji & Pallonji Qatar, WLL	

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35 : Related party disclosures (Contd)

(a)	Details of related parties:	Nature of Relationship
	Renaissance Commerce Private Limited	Fellow Subsidiary(s) w.e.f. 13th January 2024 (Where there are transactions)
	Hermes Commerce Private Limited	
	Transtonnelstroy Afcons Joint Venture	Jointly Controlled Operations
	Dahej Standby Jetty Project undertaking	
	Afcons Gunanusa Joint Venture	
	Afcons Pauling Joint Venture	
	Strabag AG Afcons Joint Venture	
	Ircon Afcons Joint Venture	
	Afcons Sener LNG Construction Projects Private Limited	
	Afcons Sibmost Joint Venture	
	Afcons Vijeta PES Joint Venture	
	Afcons SMC Joint Venture	
	Afcons Vijeta Joint Venture	
	Afcons JAL Joint Venture	
	Afcons KPTL Joint Venture	
	Afcons Infrastructure Limited & Vijeta Projects and Infrastructures Ltd. Joint Venture	
	Afcons Vijeta Joint Venture, Zimbabwe	
	Afcons Hindustan Joint venture (w.e.f. 14.06.2022)	
	Vigil Juris	Entity controlled / Jointly controlled by members of the key management personnel till 25th March, 2024
	Mr. Shapoorji P. Mistry – Chairman	Key Management Personnel
	Mr. K. Subramanian – Executive Vice Chairman	
	Mr. S. Paramasivan – Managing Director	
	Mr. Giridhar Rajagopalan - Deputy Managing Director	
	Mr. Akhil Kumar Gupta - Executive Director (Upto 30th June, 2022)	
	Mr. Pallon S.Mistry - Non-Executive Director (Upto 12th March, 2024)	
	Mr. Umesh N.Khanna - Non-Executive Director	
	Ms. Roshen M.Nentin - Non-Executive Director (Upto 12th March, 2024)	
	Mr. Nawshir D.Khurody - Independent Director (Upto 26th September, 2022)	
	Mr. Ramunni Menon Premkumar - Independent Director (Upto 26th September, 2022)	
	Mr. Pradip N.Kapadia - Independent Director (Upto 25th March, 2024)	
	Mr. David P.Rasquinha - Independent Director (Upto 24th March, 2024)	
	Mr. Sitaram Janardan Kunte - Independent Director (w.e.f. 12th March, 2024)	
	Mr. Cherag S.Balsara - Independent Director (w.e.f. 24th March, 2024)	
	Mr. Atul Sobti - Independent Director (w.e.f. 24th March, 2024)	
	Ms. Rukhshana Jina Mistry - Independent Director (w.e.f. 12th March, 2024)	
	Mr. Anurag Kumar Sachan - Independent Director (w.e.f. 12th March, 2024)	

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35 : Related party disclosures (Contd)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Subsidiaries		Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Managerial Remuneration paid																
a) Short Term Employee Benefit																
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	4.96	4.27	-	-	**4.96**	4.27
K.Subramanian	-	-	-	-	-	-	-	-	-	-	5.44	4.74	-	-	**5.44**	4.74
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	3.02	2.55	-	-	**3.02**	2.55
Akhil Kumar Gupta	-	-	-	-	-	-	-	-	-	-	-	1.19	-	-	**-**	1.19
b) Post Employment Benefits																
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	0.85	0.75	-	-	**0.85**	0.75
K.Subramanian	-	-	-	-	-	-	-	-	-	-	0.93	0.81	-	-	**0.93**	0.81
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	0.28	0.24	-	-	**0.28**	0.24
Akhil Kumar Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
c) Other Long Term Benefits																
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	0.40	0.37	-	-	**0.40**	0.37
K.Subramanian	-	-	-	-	-	-	-	-	-	-	0.46	0.45	-	-	**0.46**	0.45
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	0.18	0.18	-	-	**0.18**	0.18
Akhil Kumar Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Sitting Fees paid																
Shapoorji P. Mistry	-	-	-	-	-	-	-	-	-	-	0.07	0.04	-	-	**0.07**	0.04
Pallon S.Mistry	-	-	-	-	-	-	-	-	-	-	0.06	-	-	-	**0.06**	-
Umesh N.Khanna	-	-	-	-	-	-	-	-	-	-	0.21	-	-	-	**0.21**	-
Roshen M.Nentin	-	-	-	-	-	-	-	-	-	-	0.06	-	-	-	**0.06**	-
Nawshir D.Khurody	-	-	-	-	-	-	-	-	-	-	-	0.14	-	-	**-**	0.14
Ramunni Menon Premkumar	-	-	-	-	-	-	-	-	-	-	-	0.13	-	-	**-**	0.13
Pradip N.Kapadia	-	-	-	-	-	-	-	-	-	-	0.25	0.26	-	-	**0.25**	0.26
David P.Rasquinha	-	-	-	-	-	-	-	-	-	-	0.17	0.15	-	-	**0.17**	0.15
Sitaram Janardan Kunte	-	-	-	-	-	-	-	-	-	-	0.04	-	-	-	**0.04**	-
Cherag S.Balsara	-	-	-	-	-	-	-	-	-	-	0.01	-	-	-	**0.01**	-
Atul Sobti	-	-	-	-	-	-	-	-	-	-	0.01	-	-	-	**0.01**	-
Rukhshana Jina Mistry	-	-	-	-	-	-	-	-	-	-	0.03	-	-	-	**0.03**	-
Anurag Kumar Sachan	-	-	-	-	-	-	-	-	-	-	0.04	-	-	-	**0.04**	-
Dividend on Preference Shares																
Floreat Investments Private Limited	-	-	-	-	-	0.01	0.01	-	-	-	-	-	-	-	**0.01**	0.01
Shapoorji Pallonji & Co. Private Limited	0.01	0.01	-	-	-	-	-	-	-	-	-	-	-	-	**0.01**	0.01
Dividend on Equity Shares																
Shapoorji Pallonji & Co. Private Limited	19.64	-	-	-	-	-	-	-	-	-	-	-	-	-	**19.64**	-
Floreat Investments Private Limited	-	-	-	-	-	5.21	-	-	-	-	-	-	-	-	**5.21**	-
Hermes Commerce Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Renaissance Commerce Private Limited.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K.Subramanian	-	-	-	-	-	-	-	-	-	-	0.02	-	-	-	**0.02**	-
S.Paramasivan	-	-	-	-	-	-	-	-	-	-	0.01	-	-	-	**0.01**	-
Giridhar Rajagopalan	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	**0.00**	-

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35 : Related party disclosures (Contd)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Subsidiaries		Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Interest Income																
Afcons Sener LNG Construction Projects Private Limited	-	-	-	-	-	-	-	-	0.44	0.38	-	-	-	-	**0.44**	0.38
Afcons Construction Mideast LLC	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	**-**	0.13
Income from Services charges																
Afcons Overseas Singapore Pte Limited.	-	-	-	0.01	0.97	-	-	-	-	-	-	-	-	-	**0.01**	0.97
Afcons Construction Mideast LLC	-	-	-	2.94	1.07	-	-	-	-	-	-	-	-	-	**2.94**	1.07
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	-	-	0.34	-	-	-	-	**-**	0.34
Other Income																
Afcons Overseas Project Gabon SARL	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Afcons Construction Mideast LLC	-	-	-	8.70	1.68	-	-	-	-	-	-	-	-	-	**8.70**	1.68
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	0.06	0.02	-	-	-	-	**0.06**	0.02
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	-	0.51	0.86	-	-	-	-	**0.51**	0.86
ESP Port Solutions Private Limited.	-	-	-	-	-	-	0.24	-	-	-	-	-	-	-	**-**	0.24
Sterling & Wilson Private Limited	-	-	-	-	-	0.01	0.06	-	-	-	-	-	-	-	**0.01**	0.06
Afcons - KPTL Joint Venture	-	-	-	-	-	-	-	-	0.22	-	-	-	-	-	**0.22**	-
Subcontract Income																
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	0.03	0.04	-	-	-	-	**0.03**	0.04
Shapoorji Pallonji Pandoh Takoli Highway Private Limited	-	-	-	-	-	165.97	365.01	196.29	-	-	-	-	-	-	**362.26**	365.01
Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	-	-	-	-	34.64	38.39	110.08	-	-	-	-	-	-	**144.72**	38.39
Simar Port Private Limited	-	-	-	-	-	13.11	9.04	22.12	-	-	-	-	-	-	**35.23**	9.04
Income from Equipment Hire																
Afcons Construction Mideast LLC	-	-	-	10.48	1.08	-	-	-	-	-	-	-	-	-	**10.48**	1.08
Afcons Overseas Singapore Pte Limited.	-	-	-	-	4.71	-	-	-	-	-	-	-	-	-	**-**	4.71
ESP Port Solutions Private Limited.	-	-	-	-	-	-	0.60	-	-	-	-	-	-	-	**-**	0.60
Simar Port Private Limited	-	-	-	-	-	2.14	0.14	0.03	-	-	-	-	-	-	**2.17**	0.14
Distribution of Profit / (Loss) from Joint Ventures																
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	-	-	20.22	-	-	-	-	**-**	20.22
Sale of Spares/Materials/ Assets																
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	0.04	0.02	-	-	-	-	**0.04**	0.02
Afcons Construction Mideast LLC	-	-	-	20.42	2.06	-	-	-	-	-	-	-	-	-	**20.42**	2.06
Afcons Overseas Singapore Pte Limited.	-	-	-	0.01	0.19	-	-	-	-	-	-	-	-	-	**0.01**	0.19
Simar Port Private Limited	-	-	-	-	-	-	2.57	-	-	-	-	-	-	-	**-**	2.57
Afcons - KPTL Joint Venture	-	-	-	-	-	-	-	-	0.04	-	-	-	-	-	**0.04**	-

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35 : Related party disclosures (Contd)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Subsidiaries		Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Advance Given																
Afcons Construction Mideast LLC	-	-	-	21.46	6.94	-	-	-	-	-	-	-	-	-	**21.46**	6.94
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	0.32	0.25	-	-	-	-	-	-	-	-	-	**0.32**	0.25
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	0.57	0.68	-	-	-	-	**0.57**	0.68
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	-	1.80	-	-	-	-	-	**1.80**	-
Afcons Overseas Singapore Pte Limited.	-	-	-	1.34	-	-	-	-	-	-	-	-	-	-	**1.34**	-
Hazarat & Company Private Limited	-	-	-	0.02	0.02	-	-	-	-	-	-	-	-	-	**0.02**	0.02
Afcons Saudi Constructions LLC	-	-	-	0.03	-	-	-	-	-	-	-	-	-	-	**0.03**	-
Afcons Sener LNG Construction Projects Private Limited	-	-	-	-	-	-	-	-	0.64	0.61	-	-	-	-	**0.64**	0.61
Afcons - KPTL Joint Venture	-	-	-	-	-	-	-	-	5.32	10.32	-	-	-	-	**5.32**	10.32
Afcons Oil & Gas Services Private Limited	-	-	-	0.01	0.01	-	-	-	-	-	-	-	-	-	**0.01**	0.01
Afcons Hydrocarbons Engineering Private Limited	-	-	-	0.01	0.01	-	-	-	-	-	-	-	-	-	**0.01**	0.01
Shapoorji Pallonji Finance Private Limited	-	-	-	-	-	25.00	-	-	-	-	-	-	-	-	**25.00**	-
Advance Received back																
Afcons Construction Mideast LLC	-	-	-	(21.52)	(9.38)	-	-	-	-	-	-	-	-	-	**(21.52)**	(9.38)
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	(0.39)	-	-	-	-	-	-	-	-	-	-	**(0.39)**	-
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	(0.67)	(1.66)	-	-	-	-	**(0.67)**	(1.66)
Afcons Hydrocarbons Engineering Private Limited	-	-	-	(0.01)	(0.04)	-	-	-	-	-	-	-	-	-	**(0.01)**	(0.04)
Afcons Overseas Singapore Pte Limited.	-	-	-	(0.91)	(8.98)	-	-	-	-	-	-	-	-	-	**(0.91)**	(8.98)
Hazarat & Company Private Limited	-	-	-	(0.02)	(0.02)	-	-	-	-	-	-	-	-	-	**(0.02)**	(0.02)
Afcons Saudi Constructions LLC	-	-	-	(0.98)	-	-	-	-	-	-	-	-	-	-	**(0.98)**	-
Afcons Sener LNG Construction Projects Private Limited	-	-	-	-	-	-	-	-	(0.17)	(0.23)	-	-	-	-	**(0.17)**	(0.23)
Afcons - KPTL Joint Venture	-	-	-	-	-	-	-	-	(2.21)	(15.99)	-	-	-	-	**(2.21)**	(15.99)
Shapoorji Pallonji & Co. Private Limited	(2.24)	-	-	-	-	-	-	-	-	-	-	-	-	-	**(2.24)**	-
Shapoorji Pallonji Finance Private Limited	-	-	-	-	-	(50.00)	-	-	-	-	-	-	-	-	**(50.00)**	-
Acceptances-Vendor Finance																
Shapoorji Pallonji Finance Private Limited	-	-	-	-	-	(25.00)	-	-	-	-	-	-	-	-	**(25.00)**	-
Service Charges paid																
Simar Port Private Limited	-	-	-	-	-	-	0.08	-	-	-	-	-	-	-	**-**	0.08
SP Oil and Gas Malaysia SDN BHD	-	-	-	-	-	10.58	0.14	10.21	-	-	-	-	-	-	**20.79**	0.14

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35 : Related party disclosures (Contd)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Subsidiaries		Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Interest Expenses																
Shapoorji Pallonji Finance Private Limited	-	-	-	-	-	2.22	-	-	-	-	-	-	-	-	**2.22**	-
Rent Expense																
Hazarat & Company Private Limited	-	-	-	0.02	0.02	-	-	-	-	-	-	-	-	-	**0.02**	0.02
Sharus Steel Products Private Limited	-	-	-	-	-	0.20	-	0.30	-	-	-	-	-	-	**0.50**	-
Legal & Professional Fees																
Shapoorji Pallonji & Co. Private Limited (Strategic Support Services)	-	37.76	-	-	-	-	-	-	-	-	-	-	-	-	**-**	37.76
Shapoorji Pallonji & Co. Private Limited (Consultancy Services)	0.07	0.03	0.01	-	-	-	-	-	-	-	-	-	-	-	**0.08**	0.03
Vigil Juris	-	-	-	-	-	-	-	-	-	-	-	-	0.04	0.05	**0.04**	0.05
Shapoorji Pallonji Finance Private Limited	-	-	-	-	-	0.25	-	-	-	-	-	-	-	-	**0.25**	-
Shapoorji Pallonji Energy Private Limited	-	-	-	-	-	0.08	-	-	-	-	-	-	-	-	**0.08**	-
Subcontract Expenses																
Shapoorji Pallonji Qatar WLL	-	-	-	-	-	-	-	89.50	-	-	-	-	-	-	**89.50**	-
Travelling Expenses																
Forvol International Service Limited	-	-	-	-	-	15.50	17.12	4.69	-	-	-	-	-	-	**20.19**	17.12
Equipment Hire Charges Paid																
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	-	1.01	-	-	-	-	-	-	-	-	-	**-**	1.01
Afcons Overseas Singapore Pte Limited.	-	-	-	4.47	-	-	-	-	-	-	-	-	-	-	**4.47**	-
Purchase of Spares/ Materials/Assets																
Afcons Overseas Project Gabon SARL	-	-	-	2.82	0.51	-	-	-	-	-	-	-	-	-	**2.82**	0.51
Afcons Overseas Singapore Pte Limited.	-	-	-	39.05	44.02	-	-	-	-	-	-	-	-	-	**39.05**	44.02
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	0.02	0.08	-	-	-	-	**0.02**	0.08
Afcons Construction Mideast LLC	-	-	-	4.20	0.09	-	-	-	-	-	-	-	-	-	**4.20**	0.09
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	0.94	0.57	-	-	-	-	-	-	-	-	-	**0.94**	0.57
Afcons - KPTL Joint Venture	-	-	-	-	-	-	-	-	0.28	0.01	-	-	-	-	**0.28**	0.01
Details of Related Party Outstanding Balances as on 31 March, 2024																
SBLC Given for / (Released)																
Afcons Overseas Singapore Pte Limited.	-	-	-	-	(13.48)	-	-	-	-	-	-	-	-	-	**-**	(13.48)

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35 : Related party disclosures (Contd)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Subsidiaries		Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Outstanding amount of bank guarantee given/ (taken)																
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	4.58	4.56	-	-	-	-	-	-	-	-	-	**4.58**	4.56
Afcons Construction Mideast LLC	-	-	-	17.64	17.39	-	-	-	-	-	-	-	-	-	**17.64**	17.39
Afcons Overseas Singapore Pte Limited.	-	-	-	0.83	0.82	-	-	-	-	-	-	-	-	-	**0.83**	0.82
Outstanding Amount Loans & Advances Dr/ (Cr)																
Shapoorji Pallonji & Co. Private Limited	-	271.79	269.55	-	-	-	-	-	-	-	-	-	-	-	**269.55**	271.79
Afcons Construction Mideast LLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	-	1.80	-	-	-	-	-	**1.80**	-
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	4.80	4.91	-	-	-	-	**4.80**	4.91
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	(14.85)	(14.77)	-	-	-	-	-	-	-	-	-	**(14.85)**	(14.77)
Afcons Saudi Constructions LLC	-	-	-	-	0.96	-	-	-	-	-	-	-	-	-	**-**	0.96
Afcons Sener LNG Construction Projects Private Limited	-	-	-	-	-	-	-	-	3.64	3.17	-	-	-	-	**3.64**	3.17
Afcons Overseas Project Gabon SARL	-	-	-	(6.22)	(6.15)	-	-	-	-	-	-	-	-	-	**(6.22)**	(6.15)
Afcons Overseas Singapore Pte Limited.	-	-	-	(8.63)	(8.98)	-	-	-	-	-	-	-	-	-	**(8.63)**	(8.98)
Afcons - KPTL Joint Venture	-	-	-	-	-	-	-	-	8.99	5.84	-	-	-	-	**8.99**	5.84
Afcons Oil & Gas Services Private Limited	-	-	-	0.03	0.02	-	-	-	-	-	-	-	-	-	**0.03**	0.02
Afcons Hydrocarbons Engineering Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Shapoorji Pallonji Finance Private Limited	-	-	-	-	-	(25.00)	-	-	-	-	-	-	-	-	**(25.00)**	-
Sharus Steel Products Private Limited	-	-	-	-	-	0.30	-	-	-	-	-	-	-	-	**0.30**	-

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35 : Related party disclosures (Contd)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Subsidiaries		Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Outstanding Amount - Debtors																
Afcons Construction Mideast LLC	-	-	-	10.90	4.14	-	-	-	-	-	-	-	-	-	**10.90**	4.14
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	3.96	3.98	-	-	-	-	**3.96**	3.98
Shapoorji Pallonji & Co. Private Limited	-	0.26	0.26	-	-	-	-	-	-	-	-	-	-	-	**0.26**	0.26
Afcons Overseas Singapore Pte Limited.	-	-	-	6.63	7.55	-	-	-	-	-	-	-	-	-	**6.63**	7.55
Afcons Overseas Project Gabon SARL	-	-	-	5.76	5.79	-	-	-	-	-	-	-	-	-	**5.76**	5.79
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	-	2.13	1.53	-	-	-	-	**2.13**	1.53
Afcons - KPTL Joint Venture	-	-	-	-	-	-	-	-	0.26	-	-	-	-	-	**0.26**	-
Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	-	-	-	-	-	135.80	205.07	-	-	-	-	-	-	**205.07**	135.80
Shapoorji Pallonji Qatar WLL	-	-	-	-	-	-	-	9.71	-	-	-	-	-	-	**9.71**	-
Simar Port Private Limited	-	-	-	-	-	-	0.00	2.39	-	-	-	-	-	-	**2.39**	0.00
ESP Port Solutions Private Limited.	-	-	-	-	-	-	10.09	10.09	-	-	-	-	-	-	**10.09**	10.09
Sterling & Wilson Private Limited	-	-	-	-	-	-	0.05	0.02	-	-	-	-	-	-	**0.02**	0.05
Outstanding Amount - Creditors																
Forvol International Service Limited	-	-	-	-	-	-	0.41	1.20	-	-	-	-	-	-	**1.20**	0.41
Shapoorji Pallonji Infrastructure Capital Co Private Limited	-	-	-	-	-	-	63.45	52.29	-	-	-	-	-	-	**52.29**	63.45
Shapoorji Pallonji Pandoh Takoli Highway Private Limited	-	-	-	-	-	-	13.53	2.55	-	-	-	-	-	-	**2.55**	13.53
Shapoorji Pallonji Qatar WLL	-	-	-	-	-	-	(36.42)	-	-	-	-	-	-	-	**-**	(36.42)
Simar Port Private Limited	-	-	-	-	-	-	13.95	2.66	-	-	-	-	-	-	**2.66**	13.95
SP Oil and Gas Malaysia SDN BHD	-	-	-	-	-	-	0.06	1.21	-	-	-	-	-	-	**1.21**	0.06
Shapoorji Pallonji & Co. Private Limited	-	70.91	63.86	-	-	-	-	-	-	-	-	-	-	-	**63.86**	70.91
Sharus Steel Products Private Limited	-	-	-	-	-	-	-	0.09	-	-	-	-	-	-	**0.09**	-
Vigil Juris	-	-	-	-	-	-	-	-	-	-	-	-	0.00	0.00	**0.00**	0.00
Afcons Infrastructures Kuwait for Building,Road & Marine Contracting WLL.	-	-	-	4.15	3.01	-	-	-	-	-	-	-	-	-	**4.15**	3.01
Afcons Construction Mideast LLC	-	-	-	4.81	0.02	-	-	-	-	-	-	-	-	-	**4.81**	0.02
Afcons Overseas Project Gabon SARL	-	-	-	17.29	16.28	-	-	-	-	-	-	-	-	-	**17.29**	16.28
Afcons Overseas Singapore Pte Limited.	-	-	-	69.14	46.05	-	-	-	-	-	-	-	-	-	**69.14**	46.05
Transtonnelstroy-Afcons Joint Venture	-	-	-	-	-	-	-	-	(0.00)	0.15	-	-	-	-	**(0.00)**	0.15
Strabag-AG Afcons Joint Venture	-	-	-	-	-	-	-	-	1.05	1.03	-	-	-	-	**1.05**	1.03

All outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.

All related party transactions entered during the year were in ordinary course of business and on arms length basis.

As the liabilities for defined plans and leave entitlements are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 36. Afcons Gunanusa Joint Venture (AGJV)

AGJV had submitted claims to ONGC, arising on account of cost overruns due to change orders, in terms of the provisions of the contract. The Joint venture has invoked arbitration in respect of the aforesaid change orders. Claims against change orders and counter claims by ONGC aggregating to approx ₹ 400.00 Crores is currently being discussed in arbitration and cross examination of Claimant's witness is being carried out in arbitration.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims, carried out by Joint Venture's management, after considering the current facts and status of proceedings in arbitration as of date, which is supported by legal opinion, management of joint venture is of the view that the "amount due from customer under construction contract" of ₹ 124.05 Crores as on 31st March, 2024 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management. However, considering that the arbitration proceedings are ongoing, the duration and outcome is uncertain.

Note 37. Transtonnelstroy Afcons Joint Venture (TAJV)

The Transtonnelstroy Afcons Joint Venture ("the JV") had submitted variations to the client for two projects (package UAA-01 and package UAA-05) arising on account of cost overruns, due to unforeseen geological conditions, delays in handing over of land and change in scope of work etc., in terms of the provisions of the contract with the Chennai Metro Rail Limited ("the client"), which the Management believes is attributable to the client.

During Financial Year 2021-22, Arbitration Panel issued a unanimous award in favour of Joint Venture granting extension of time in terms of number of days (the "claim no. 1 and 2"). The Arbitral Awards on Extension of Time matters (Claim No. 1&2) of Contract UAA-01 & UAA-05 were challenged by CMRL before the Ld. Single Judge of Madras High Court and succeeded. The order of the Ld. Single Judge was then challenged by TTA JV before the Hon'ble Division Bench and the same was dismissed vide order dated 01.02.2023. The said order of the Hon'ble Division Bench was challenged before the Hon'ble Supreme Court by TTA JV and the SLP was admitted and registered as Civil Appeal. The matter is listed for hearing on 12th July, 2024.

Based on the assessment, the orders were not challenged by CMRL on the Merits of the Arbitral Award but on the alleged procedural lapses on part of the Tribunal (i.e., no opportunity provided to CMRL on account of two particular documents sought by the Tribunal from TTA JV). Further, the Ld. Single Judge in its Order has also granted liberty to the Parties to go back to the existing Tribunal to get opportunity on the two documents. Also, the Hon'ble Division bench after hearing prima facie case has sought consent of parties on remanding the matter to the same Tribunal. However, since CMRL did not agree for consenting to the same and also the Hon'ble bench does not have special power to direct the parties to go before the same Tribunal, the Hon'ble bench proceeded to hear the matter and pronounced the order.

Arbitration proceedings related to claims for cost of extension of time granted in claim no. 1 and 2 and related cost i.e. Claim No. 3 and 3A along with EOT claimed beyond Arbitration Award and associated cost, forming part of Claim No 8 have been kept on hold and shall be initiated based on outcome Civil Appeal of the SLP filed with Hon'ble Supreme Court.

Disputes related to release of withheld amount, release of retained amount, refund of amount encashed against Bank Guarantees and issuance of final taking over certificate (the "claim no. 8") are currently being heard in arbitration award.

In the earlier years, Joint Venture had received favourable arbitration awards in few of the other matters. The Client has challenged these arbitration awards before the Hon'ble High Court, Madras. Pending disposal of these matters in the court, client has, upon submission of the bank guarantee by the Joint Venture, deposited part of the award amount with the Joint Venture, pursuant to an interim stay order from Hon'ble High Court, Madras. The hearing for this is currently in process. The arbitration award amounting to ₹ 120.81 Crores (₹ 120.81 Crores as on 31st March, 2023) and interest on arbitration award of ₹ 30.63 Crores (₹ 30.63 Crores as on 31st March, 2023) has been recognized as "Non-current Trade Receivables" and "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", respectively, and the amount of ₹ 79.28 Crores (₹ 79.28 Crores as on 31st March, 2023) received against such award has been recognized as "Other Non-current Liabilities -Contract Liabilities- Advances from customers".

Further, there are counter claims submitted by CMRL amounting ₹ 1945.81 Crores (₹ 1945.81 Crores as on 31st March, 2023). The counterclaims lodged by CMRL arose due to the alleged defective works in the tunnelling i.e. excessive steps and lips in the Tunnel Rings. The Counter claims are mainly towards the contingencies that CMRL may have to incur in future in the form of Rectification works, Loss of revenue and additional maintenance costs during the intended design life due to the said alleged defects in the tunnelling works. In addition, the Counterclaim was not substantiated by any supporting documents either on effect or on Cost. TTA JV has submitted an expert report to the Arbitral Tribunal wherein it states that the excessive stepping and lipping has no impact on either structural stability or on waterproofing systems. The counterclaims of the CMRL are made as an afterthought, which is evident from the fact that the same was filed by CMRL only in 2022, after issuance of substantial taking over certificate for UAA 01 in December 2019 and UAA 05 in June 2018, and both the packages became commercially operative in 2017 (UAA 05) and in 2019 (UAA 01).

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims , carried out by Joint Venture's management, after considering the current status of negotiation/amicable settlement with the client/ proceedings in arbitration, High Court and Supreme Court as of date, which is supported by external legal opinion, management of Joint Venture is of the view that the "amount due from customer under construction contracts" recorded in the books of accounts is based on cost actually incurred and so claimed but not duly compensated. Management of joint venture is confident of getting favourable order/ award and is of that opinion that amount of ₹ 659.87 Crores (₹ 659.87 Crores as on 31st March, 2023) recognized towards such variations/ claims in 'Amounts due from customers under construction contracts' as Non-Current assets, an amount of ₹ 120.81 Crores (₹ 120.81 Crores as on 31st March, 2023) towards the arbitration award recognized as 'Non-current Trade Receivables' and an amount of ₹ 30.63 Crores (₹ 30.63 Crores as on 31st March, 2023) interest on arbitration award as "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", is appropriate and the same is considered as good and fully recoverable. Joint Venture management does not anticipate any loss to be recognized or contingent liability to be disclosed at this stage. However, considering that the negotiations, proceedings in arbitration, High Court and Supreme Court are ongoing, the duration and outcome is uncertain.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 38. DAHEJ STANDBY JETTY PROJECT UNDERTAKING (DJPU):

Management of Dahej Standby Jetty Project Undertaking ("DJPU") has submitted variations towards the amount of claims in terms of the provisions of the contract, which were not approved by the Petronet LNG Limited ("the client"). During the year 2018-19, management has invoked arbitration for settlement of their claims against the client.

During the earlier year, an unfavourable award was granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture for ₹ 79.28 Crores (including interest of ₹ 20.45 Crores). Client has subsequently encashed the bank guarantees given by a Joint Venturer Partner, Afcons Infrastructure Limited of ₹ 79.28 Crores and recovered the award amount. The amount of encashed Bank Guarantee has been recorded by the Joint Venture as Other Receivables from customer (Other non-current assets) and Payable to JV Partner (non-current borrowings). Thereafter, the Joint Venture has filed petition at Hon'ble High Court, Delhi for setting aside the unfavourable award and also submitted claims for additional cost incurred w.r.t extended stay and acceleration cost, considering that the delay is attributable to the client and in terms of the contractual provisions. This petition is admitted by Hon'ble High Court, Delhi and hearings is currently in process. The Hon'ble High Court Delhi on 22nd November 2022 directed client to submit an undertaking signed by President (Finance) of client, to the effect that it shall restitute the entire amount in the event Joint Venture succeeds in its challenge to the award.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims, carried out by Joint Venture's management, after considering the current facts and status of proceedings in High Court as of date, which is supported by legal opinion, management of Joint Venture is of the view that the amount recoverable from the client of ₹ 79.28 Crores disclosed as 'Other Receivables' and the 'amount due from customer under construction contract' of ₹ 11.10 Crores as on 31st March, 2024 is appropriate and no further provision for aforesaid claims and receivables is required to be made as these have been considered as good and fully recoverable by the Management. However, considering that the proceedings in High Court are ongoing, the duration and outcome is uncertain.

Note 39.

(a) The Company has been legally advised that outstanding interest free advances aggregating to ₹ 858.14 Crores (As at 31st March, 2023 ₹ 852.50 Crores) before elimination made towards financing the unincorporated joint operations do not come under the purview of Section 186 of Companies Act, 2013 as the Company is in the business of constructing and developing infrastructure facilities.

(b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For investments made refer to Note no. 4.

Note 40.

Konkan Railway Corporation Limited ("KRCL") had issued a contract for construction of Steel Arch Bridge across river Chenab on 24th August 2004. The Designs and the Design Basis Note ("DBN") submitted by Chenab Bridge Project Undertaking ("CBPU") during the tender stage, which were in compliance with the tender terms, were revised in 2005 and subsequently in 2006 and 2010 by KRCL. The completion of project got delayed due to various reasons such as changes in design basis note, arch span, finalization of slope stabilization, belated changes in the contract specifications of various materials etc. which the management firmly believes are attributable to the client.

In light of the above, the Company has raised claims in the arbitration proceedings, which are towards reimbursement of additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment etc. in terms of the provisions of the contract. Previously, the Company had received unfavourable awards (for the majority of claims) by the Special Arbitral Tribunal for the claims submitted upto June 2013. The awards are challenged before Hon'ble Bombay High Court.

Presently, Company's claims beyond July 2013 are being adjudicated by the Standing Arbitral Tribunal mutually appointed by the parties. Further, the management of the Company was negotiating with KRCL in respect of its claim towards payment, due to increase in structural steel quantities. In this respect, a committee was appointed by KRCL through Railway Board who has given recommendations in favour of the Company. However, KRCL did not agree to implement the recommendations of the report and hence, the matter is now referred for adjudication by the Standing Arbitral Tribunal.

The "amount due from customer under construction contract" recorded in the books of accounts amounting to ₹ 192.92 Crores as at 31st March, 2024, includes ₹ 115.00 Crores on account of increase in steel quantity due to change in design is based on cost actually incurred and so claimed with KRCL, but not compensated.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims carried out by the management, after considering the current facts and status of proceedings in arbitration and High Court as of date, which is supported by legal opinion, the management is confident of getting a favourable judgement and recover all the aforementioned amount of ₹ 192.92 Crores recorded in books as "amount due from customer under construction contract" related to this project. However, considering that the proceedings in arbitration and High Court are ongoing, the duration and outcome is uncertain.

Note 41.

The Company had executed project awarded by the Board of Trustees of the port of Mumbai (MbPT) for Modernization of the existing Marine Oil Terminal and berths/jetties J1, J2 and J3 at the Multi-cargo Marine Oil Terminal of Jawahar Dweep based in Mumbai Harbor. The project had completed in June 2003.

The Company had gone into arbitration with MbPT for compensation for extended stay related to projects and was successful in getting an award of ₹ 96.02 Crores including interest till the date of award, in its favour on November 2011. However, the Award was challenged by MbPT u/s 34 of Arbitration and Conciliation Act, 1996 to the Single Bench of Bombay High Court. The Single Bench had set aside the award and passed the order in favor of MbPT. The Company filed an appeal with the High Court of Mumbai for a two bench Judge as against order of Single Bench. The appeal was admitted by the High Court for a hearing by a two bench Judge in the month of April 2018. Considering the legal opinion obtained and facts of the matter, the Company is confident of winning the case and recovering the entire amount from MbPT in future.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 42.

The Company had executed projects awarded by Uttar Pradesh Expressways Industrial Development Authority for Construction of Six-lane green field Kannauj to Unnao Expressway (package IV) and Firozabad to Etavah (package II). During the execution of these projects the client issued various change orders which required additional deployment of resources. The expressway was inaugurated and put to use in December 2016. These projects were completed 13 months ahead of schedule.

Due to the various change orders, the Company has raised various claims towards additional expenses on account of change of scope, additional works, royalty claim etc. An amount of ₹ 211.29 Crores is outstanding towards unbilled receivables and disclosed under note no.8 "Contract assets". The matter is referred to Arbitration. Considering the legal opinion obtained and facts of the matter, the Company is confident of winning the case and recovering the entire amount from Uttar Pradesh Expressways Industrial Development Authority.

Note 43.

(a) The Company has unbilled receivables towards various ongoing and completed projects disclosed under Note no. 8 'Contract assets'. This unbilled work also includes variations on account of cost overruns due to unforeseen geological conditions, delays in handling over land, change in scope of work, etc. which are under discussions at various levels including customer, in arbitration, Dispute Adjudication Board etc. Based on the discussions and merits of the claims, the management is confident about the recovery of these pending variations with respect to unbilled receivables disclosed under note no.8 "Contract assets".

(b) The Company has a total net receivable of ₹ 1,455.03 Crores (including interest on arbitration awards ₹ 389.67 Crores) which is a part of Trade Receivables shown under note 5 towards arbitration awards which are won by the Company in past, these arbitration awards have been further challenged by the customers before the session court or higher courts of law. Pending disposal of these matters in the courts, management has recognized the amount as per the arbitration award and part payment has been received by management under Niti Aayog Scheme upon submission of a bank guarantee by the Company, which is disclosed as advances from customers in note no.17 'Contract Liability'. Management is confident about the recovery of the amounts involved in the pending matters at various levels.

Note 44.

In the earlier years, the Company has from time to time paid advance aggregating to ₹ 269.54 Crores to a Subcontractor viz Shapoorji Pallonji and Company Private Limited in connection with undertaking the designing and interior work of the stations for elevated metro projects at Bangalore, Mumbai, Ahmedabad, and Kanpur awarded to it against the security of Letter of Comfort provided by the subcontractor.

However, since the subcontractor could not execute the work for the station work referred to above, the company got this station work done on its own. As per terms of Letter of Comfort, subcontractor was to refund this advance to the Company, however due to certain financial difficulties subcontractor has not been able to refund advance given to it under the subcontract.

Considering the fact that aforesaid projects is nearing completion, said advance has been classified as other current financial assets as advance to vendor recoverable in cash.

Management is following up with the SPCPL for recovery of the aforesaid advance and as confirmed by SPCPL it is expected to be settled by 30th September, 2024, failing which the company will charge interest @ 12% p.a.

Note 45.

The Jointly Controlled Operations have mentioned in their financial statement that as per the terms of agreement parent is committed to provide additional funds as may be required to meet the working capital requirements of such Jointly Controlled Operations.

Basis management's assessment, parent is committed to provide and can adequately source additional funds as may be required to meet the working capital requirements of these Jointly Controlled Operations.

Note 46.

As on 31st March, 2024, an amount of ₹ 558.62 Crores (excluding Jointly Controlled Operations) is receivable towards GST Input Credit which includes unutilised credit of inputs and input service on account of inverted duty structure. The Company has a robust Order book position of more than ₹ 22,400 Crores across India and there are several projects which are under the pipeline. Further, the Company has initiated Arbitration towards variations and Time related claims with respect to various projects and management expects favourable awards in these claims/ arbitration. Considering the facts as mentioned above, there is no doubt about the utilization of the GST input credit balance against the future liabilities and the same is considered good.

Note 47. Going concern related assessment performed by jointly controlled operations.

a) Afcons Sener LNG Constructions Projects Pvt. Ltd.

Material uncertainty related to going concern:

The auditor of Jointly Controlled Operations "Afcons Sener LNG Constructions Projects Private Limited" has given a note to accounts in financial statement relating to going concern assumption used for preparation of financial statements. Basis the Company's assessment company can adequately source the funding required of the mentioned Jointly Controlled Operations.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 48: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Relationship with struck off companies

Relationship with Companies whose name is struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

The Company has following transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2024 (₹ in Crores)	Balance as on 31st March, 2023 (₹ in Crores)	Relationship with the struck off company
Apl Solutions Pvt. Ltd.	Supply	-	#	Not a Related Party
Viradhya Infratech Private Limited	Service	0.01	0.02	Not a Related Party
Bikram Construction Private Limited	Service	(0.02)	0.02	Not a Related Party
Star Wire India Ltd.	Service	-	0.01	Not a Related Party
Gurutek Systems Pvt. Ltd	Supply	-	#	Not a Related Party
Frama Systems India Pvt. Ltd.	Supply	-	#	Not a Related Party
Tricolite Engg. Pvt. Ltd.	Service	-	#	Not a Related Party
Sohum Habitat Pvt. Ltd.	Service	-	#	Not a Related Party
Wavenet Infratel Private Limited	Service	-	-	Not a Related Party

The Company has following outstanding balances as on 31st March, 2024, with the companies struck off under Companies Act, 2013 or Companies Act, 1956. However, no transactions have been entered during the year

Name of struck off company	Nature of transactions with struck-off company	Balance as on 31st March, 2024 (₹ in Crores)	Balance as on 31st March, 2023 (₹ in Crores)	Relationship with the struck off company
V.S.Projects Pvt.Ltd.	Service	#	#	Not a Related Party
Parmar Power System Pvt.Ltd.	Service	0.01	0.01	Not a Related Party
Yasaj Infrastructure Private Limited	Service	#	#	Not a Related Party
Kamlesh Projects Private Limited	Service	0.06	0.06	Not a Related Party
Hbc Infratech Pvt. Ltd.	Service	#	#	Not a Related Party
Rump Inspection & Engg	Service	#	#	Not a Related Party
I Dream Infratech Private Limited	Service	0.02	0.02	Not a Related Party
Zoiros Infratech Pvt. Ltd	Service	0.02	0.02	Not a Related Party
Bulsar Construction & Consulting (Opc) Private Limited	Service	0.02	0.02	Not a Related Party
Pankasooraj Foundations Private Limited	Service	#	#	Not a Related Party
Sokam Overseas Private Limited	Service	0.01	0.01	Not a Related Party
Mm & Ay Infra Projects Private Limited	Service	#	#	Not a Related Party
Srianandam Infratech Private Limited	Service	#	#	Not a Related Party
Shaurya Protection And Detection Private Limited	Service	0.01	0.01	Not a Related Party
Engicon India Pvt. Ltd	Service	0.02	0.02	Not a Related Party
Hal Water Vatika Pvt. Ltd.	Supply	0.01	0.01	Not a Related Party
Emc2 India Pvt. Ltd	Service	0.04	0.04	Not a Related Party
Mac International Infra Pvt. Ltd.	Service	0.01	0.01	Not a Related Party
Precision Calibration And Services Pvt. Ltd	Service	#	#	Not a Related Party
Anp Geo Infra Pvt. Ltd.	Service	0.01	0.01	Not a Related Party
Dell Environmental Monitoring	Service	-	0.21	Not a Related Party

Note:- Amount mentioned as “#” is below rounding off norms adopted by the Company.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Utilisation of borrowed funds and share premium

A. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xii) The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during any reporting year.

(xiii) The Company does not have any investment property during any reporting period, the disclosure related to fair value of investment property is not applicable.

Note 49. Financial instruments

49.1 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 14 and 20) offset by cash and bank balances and total equity of the Company.

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital and the risks associated with each class of capital.

49.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows. (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Debt (Refer note i)	2,469.86	1,577.96
Cash and bank balances	(524.94)	(162.42)
Net debt	1,944.92	1,415.54
Total Equity (Refer note ii)	3,075.29	2,668.88
Net debt to equity ratio	0.63	0.53

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts as described in notes 14 and 20 and includes interest accrued but not due on borrowings)

(ii) Equity includes all capital and reserves of the Company that are managed as capital.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

49.2 Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value except non-current investments in un-quoted equity instruments, which are carried at cost.

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial assets		
Measured at amortised cost		
(a) Trade receivables	3,452.94	2,696.74
(b) Cash and bank balances	280.79	112.95
(c) Bank balance other than (b) above	244.15	49.47
(d) Loans	19.27	14.89
(e) Other financial assets	886.04	762.20
Measured at FVTOCI		
(a) Investments in equity instruments	0.77	0.50
Total Financial Assets	**4,883.96**	**3,636.75**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	2,469.86	1,577.96
(b) Trade payables	4,677.21	3,913.66
(c) Other financial liabilities	396.31	519.09
Total Financial Liabilities	**7,543.38**	**6,010.71**

49.3 Financial risk management objectives

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk assessment and analyses forex exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The risk management is governed by the Company's policy approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

49.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

49.5 Foreign currency risk management

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions in various countries. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Liabilities		Assets	
	As at 31st March, 2024		As at 31st March, 2024	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
AED Currency	0.10	2.19	0.02	0.50
BDT Currency	634.00	489.26	720.03	555.65
BTN Currency	1.92	1.92	3.00	3.00
CHF Currency	0.00	0.07	-	-
EURO Currency	0.20	17.96	0.68	61.40
GBP Currency	0.00	0.07	-	-
GHS Currency	24.31	153.62	34.38	217.20
GNF Currency	203.52	1.99	-	-
JPY Currency	11.78	6.49	-	-
KWD Currency	0.22	58.86	0.25	66.75
MRU Currency	21.63	45.53	7.60	15.99
MUR Currency	41.17	73.96	84.32	151.48
MVR Currency	153.05	827.81	181.40	981.13
MZN Currency	49.73	65.55	121.58	160.27
OMR Currency	0.00	0.04	-	-
QAR Currency	-	-	0.56	12.81
SAR Currency	0.00	0.02	-	-
TZS Currency	125.60	4.07	5.99	0.19
USD Currency	8.65	721.81	4.86	405.34
XAF Currency	2,866.32	393.55	2,302.54	316.14
XOF Currency	509.72	69.98	476.55	65.43
ZMW Currency	24.15	80.53	0.27	0.90

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Particulars	Liabilities		Assets	
	As at 31st March, 2023		As at 31st March, 2023	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
AED Currency	0.65	14.49	0.06	1.39
BDT Currency	632.47	485.23	602.22	462.02
BHD Currency	0.01	2.84	0.00	0.01
BTN Currency	7.97	7.97	20.18	20.18
EURO Currency	0.28	24.57	1.34	120.05
GBP Currency	0.00	0.07	0.00	0.12
GHS Currency	28.77	205.56	24.17	172.67
JOD Currency	0.00	0.16	0.03	3.29
JPY Currency	1.45	0.90	0.01	0.01
KWD Currency	0.55	148.07	0.79	210.91
MRU Currency	17.92	43.25	2.57	6.20
MUR Currency	47.22	85.55	79.02	143.16
MVR Currency	169.62	903.84	154.93	825.54
MZN Currency	46.85	60.90	159.18	206.89
NPR Currency	0.19	0.12	0.02	0.01
OMR Currency	0.00	0.04	-	-
QAR Currency	-	-	0.50	11.24
SAR Currency	0.00	0.02	-	-
SGD Currency	0.00	0.00	-	-
TZS Currency	365.87	12.88	51.09	1.80
USD Currency	8.35	685.98	3.23	265.30
XAF Currency	1,257.53	170.90	1,693.44	230.14
XOF Currency	346.27	47.06	82.94	11.27
ZAR Currency	0.01	0.06	-	-
ZMW Currency	28.79	111.86	-	-

49.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency of USD, EURO,KWD,GHS,ZMW,MUR, MZN, MRU and MVR.

The following table details the Company's sensitivity to a 5% increase and decrease in the Indian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding on receivable and payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in the profit or equity where the Indian Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency , there would be a comparable impact on the profit or equity, and the balances below would be negative. The impact of 5 % is also applicable on outstanding foreign currency loans as on the reporting date.

Particulars	USD Currency Impact		Euro Currency Impact		KWD Currency Impact	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(15.82)	(21.03)	2.17	4.77	0.39	3.14
Decrease in exchange rate by 5%	15.82	21.03	(2.17)	(4.77)	(0.39)	(3.14)

Particulars	GHS currency impact		ZMW currency impact		MUR currency impact	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Impact on profit or loss for the year						
Increase in exchange rate by 5%	3.18	(1.64)	(3.98)	(5.59)	3.88	2.88
Decrease in exchange rate by 5%	(3.18)	1.64	3.98	5.59	(3.88)	(2.88)

Particulars	MZN currency impact		MRU currency impact		MVR currency impact	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Impact on profit or loss for the year						
Increase in exchange rate by 5%	4.74	7.30	(1.48)	(1.85)	7.67	(3.91)
Decrease in exchange rate by 5%	(4.74)	(7.30)	1.48	1.85	(7.67)	3.91

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

49.5.2 Derivative financial instruments

There are no derivative financial instruments outstanding at the end of the reporting period.

49.6 Interest rate risk management

The Company is exposed to interest rate risk because entities in the company borrow foreign currency and local currency funds at floating interest rates. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The Company's exposure to interest rate changes at the end of reporting period are as follows: (₹ in Crores)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Borrowing at Fixed Rate	1,616.42	773.69
Borrowing at Floating Rate	834.54	787.72
Total Borrowings	**2,450.96**	**1,561.41**

49.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's profit for the year ended 31st March, 2024 would decrease/increase by ₹ 4.17 Crores (As on 31st March, 2023: decrease/increase by ₹ 3.94 Crores). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

49.7 Other price risks

The Company is exposed to equity price risks arising from mutual funds and equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenure of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

49.7.1 Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

Other comprehensive income for the year ended 31st March, 2024 would increase / decrease by ₹ 0.01 Crores (As on 31st March, 2023: increase / decrease by ₹ 0.01 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

49.8 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from investment in debt instruments, loans, trade receivables, other receivables, cash and bank balance and derivate financial instruments.

The Company is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, bank deposits, trade receivables and loan receivables. The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

Cash and cash equivalents, bank deposits are held with only high rated banks/financial institutions, credit risk on them is therefore insignificant.

Trade receivables and loan receivable

The Company assesses and manages credit risk on an internal credit evaluation system. It is performed by the finance team in conjunction with the relevant business teams depending on whether depending on the nature and type of the financial asset being evaluated.

The customer base of the Company highly comprises of government parties. Further, Company is having certain short term loan receivables from the Group entities. Collateral is generally not obtained from customers. Other customers are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from group companies, they have been considered to enjoy the low credit risk as they meet the following criteria:

   i) they have a low risk of default,

   ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and

   iii) the Company expect, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfill its obligations.

(B) Cash and cash equivalents, bank deposits are held with only high rated banks/financial institutions, credit risk on them is therefore insignificant.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

(C) For other trade receivables (including contract assets), the Company uses “General Model” for the measurement of expected credit loss (ECL) for trade receivables as well as contract asset

The measurement of ECL under general model depends on whether credit risk has increased significantly since initial recognition. These credit risk is regularly monitored based on historic turnover activity and credit performance of every customer. In addition, overdue receivable balances are monitored and actioned on a regular basis. When the credit risk has not increased significantly after initial recognition, a provision shall be made for the 12-month expected loss, otherwise shall be made for the entire lifetime.

The Company considers the probability of default upon initial recognition of asset and whether there is a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information which considers multiple factors such as:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower’s ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increase in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

The Company has used practical expedient by computing expected credit loss allowance for trade receivable by taking into consideration payment profiles of sales over a period of 60 months before the reporting date and the corresponding historical credit loss experiences within this period. The historical loss rates are adjusted to reflect current and forward looking information on macro economic factors affecting the ability of the customers to settle the receivables. The expected credit loss is based on the Ageing of the days, the receivables due and the expected credit loss rate. In addition, in case of event driven situation as litigations, disputes, change in customer’s credit risk history, specific provisions are made after evaluating the relevant facts and expected recovery.

Refer note 5 and note 8 for reconciliation of expected credit loss balance on financial assets.

49.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the Company’s short-term, medium-term, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

49.9.1 Liquidity risk table

The following table details the company’s remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include principal cash flows along with interest. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

(₹ in Crores)

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1 to 5 years	5+years	Total
31st March, 2024					
Borrowings (including Interest)	9.39%	1,948.26	674.84	17.99	**2,641.09**
Trade payables		4,246.21	431.00	-	**4,677.21**
Other financial liabilities		269.78	126.53	-	**396.31**
		6,464.25	**1,232.37**	**17.99**	**7,714.61**
31st March, 2023					
Borrowings (including Interest)	8.67%	1,046.49	663.04	-	**1,709.53**
Trade payables		3,440.82	472.84	-	**3,913.66**
Other financial liabilities		362.21	156.88	-	**519.09**
		4,849.52	**1,292.76**	**-**	**6,142.28**

The Company is exposed to credit risk in relation to guarantees given. The Company’s maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. Based on expectations at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the beneficiary under the guarantee may default.

For Contractual maturities of lease liabilities refer note 51 (iii).

49.10 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

49.10.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in Crores)

Financial assets / financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2024	As at 31st March, 2023		
Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.77	0.50	Level 1	The investment in quoted instruments are measured at fair value based on quoted prices in active market.

Note 1: These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

49.10.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amounts of the following financial assets and financial liabilities (other than Long Term Borrowings) are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

a) **Financial Assets**

Cash and bank balances

Bank balance other than above

Trade receivables

Loans

Other financial assets

b) **Financial Liabilities**

Short term borrowings

Trade payables

Other financial liabilities

Lease Liabilities

The carrying amount and fair value of Long Term Borrowings, which are measured at amortised cost is disclosed in table below :

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**834.54**	**834.54**	**787.72**	**787.72**
- Borrowings	834.54	834.54	787.72	787.72

Note No 50. Disclosure pursuant to Ind AS 115, "Revenue from Contracts with Customers".

(i) Disaggregation of revenue from contracts with customers into geographical areas for the year ended 31st March, 2024 recognised in the standalone statement of profit & loss

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Segment revenue		
India	10,006.07	8,633.19
Outside India	2,901.20	3,833.42
Revenue from external customers	**12,907.27**	**12,466.61**
Timing of revenue recognition		
At a point in time	222.21	161.79
Over time	12,685.06	12,304.82
	12,907.27	**12,466.61**

(ii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting period is ₹ 35,631.26 Crores (Previous year ₹ 36,749.95 Crores). Management expects that about 40% of the transaction price allocated to unsatisfied contracts as of 31st March, 2024 will be recognized as revenue during next 12 months depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

(iii) Reconciliation of contract price with revenue recognised during the period: (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Revenue as per contract price	12,876.90	12,521.55
Adjustments for:		
Payments on behalf of customer	30.37	(54.94)
Revenue from Operations	**12,907.27**	**12,466.61**

(iv) Significant changes to Contract Asset and Contract Liability from 1st April, 2023 to 31st March, 2024 (₹ in Crores)

Particulars	Contract Assets	Contract Liabilities
Contract assets / liabilities as at 1st April, 2022	3,824.48	4,475.60
Changes in Contract Asset / Liabilities	707.83	(51.44)
Contract assets / liabilities as at 31st March, 2023	4,532.31	4,424.16
Changes in Contract Asset / Liabilities	497.03	(23.91)
Contract assets / liabilities as at 31st March, 2024	**5,029.34**	**4,400.25**

* The contract assets and liabilities undergo a change periodically, due to changes in the contractual estimates for the projects on account of any change in scope of work, unprecedented delays, etc. During the period the company has additionally recognised a loss allowance for contract assets in accordance with Ind AS 109.

(i) Contract assets represents balances due from customers under construction contracts that arise when the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing.

(ii) Contract liabilities relating to construction contracts are balances due to customers, these arise when a particular milestone payment exceeds the revenue recognised to date under the input method and advance received in long term construction contracts. The amount of advance received gets adjusted over the construction period as and when invoicing is made to the customer.

Contract assets and contract liabilities net position assessed on a contract by contract basis as at 31st March, 2024 and its classification into current and non current for respective years.

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Contract Assets	1,847.78	1,167.48	1,362.90	1,312.24
Contract Liabilities	1,248.35	1,137.82	1,585.32	981.67

(v) - For movement in Expected Credit Loss of Trade Receivables and Contract Assets, refer Note 5.1.A and 8.1 of the Standalone financial statement.

- For Trade Receivable refer Note 5 of the standalone financial statement.
- For Contract liabilities refer Note 17 of the standalone financial statement

(vi) Contracts assets and liabilities balance (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Contracts in progress at the end of the reporting year:		
Construction cost incurred plus recognised profits less recognised loss to date	70,270.15	56,865.36
Less : Progress billings	65,796.96	53,454.07
	4,473.19	**3,411.29**
Recognised and included in the financial statements as amounts due :		
- from customers under construction contracts	5,029.34	4,532.31
- to customers under construction contracts	(556.15)	(1,121.02)
	4,473.19	**3,411.29**

(vii) The Company recognised revenue amounting to ₹ 1,077.51 Crores in the current reporting year (Previous year ₹ 1,377.45 Crores) that was included in the contract liability as of 1st April, 2023.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 51 - Disclosure pursuant to Ind AS 116 "Leases".

The Company leases land and buildings. Rental contracts are typically made for fixed periods of 1 to 3 years, but may have extension options as described in (v) below.

(i) Amounts recognised in the balance sheet

a. Right-to-use assets (₹ in Crores)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
Land	3.D	29.75	42.41
Building	3.D	38.16	6.31

b. Lease Liabilities (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current	33.08	33.75
Non-current	35.15	15.68

(ii) Amounts recognised in the statement of profit and loss (₹ in Crores)

Particulars	Note	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Expense relating to short-term leases (included in equipment hire / rent charges and other expenses)**	29	68.86	35.75
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	29	0.89	0.49
Interest on lease liability	27	4.43	5.12
Depreciation during the year	28	40.16	41.73
Total		**114.34**	**83.09**

** Rent expense relating to short-term leases of identified assets and variable lease payments under Ind AS 116 included in Note 24.1 and Note 29 as mentioned above stands to ₹ 68.86 Crores However, the total of rent and hire charges included in Note 24.1 and Note 29 stands at ₹ 718.97 Crores, the differential of ₹ 650.11 Crores is on account of hire charges of the assets which are unidentified assets under Ind AS 116.

(iii) Maturities of lease liabilities as at 31st March, 2024 (₹ in Crores)

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	33.08	35.15	-	68.23

Previous year

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	33.75	15.68	-	49.43

(iv) Total cash outflow for leases for the year ended 31st March, 2024 was ₹ 40.56 Crores (Previous year ₹ 43.45 Crores)

Amount recognised in cashflow statement (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Payment of lease liabilities during the year	36.13	38.33
Finance cost paid during the year	4.43	5.12

(v) Extension and termination options

Extension and termination options are included in a number of Land, Office Premises, Houses and Godowns leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operation. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(vi) Practical expedients applied :

In applying Ind AS 116, the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at 1st April, 2021 as short-term leases
- using hindsight in determining the lease term where the contract contains option to extend or terminate the lease
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.

(vii) The lessee's range of weighted average incremental borrowing rate applied to the lease liabilities for the entire group was 9.25%.

(viii) Lessor accounting

The Company did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of Ind AS 116.

Notes forming part of the standalone financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 52: Financial ratios

Sr. No.	Ratio	Numerator	Denominator	Current period	Previous year	% Variance	Reason for variance
a)	Current Ratio	Current assets	Current liabilities	1.06	1.03	3%	
b)	Debt-equity ratio	Total debt	Total equity	0.80	0.59	36%	Increase in debt
c)	Debt service coverage ratio	Profit after tax + Depreciation and amortlsation expense + Finance cost	Debt service (Principal repayment of debt + Interest on debt)	1.66	0.61	172%	Increase in debt
d)	Return on equity ratio	Net profit after tax reduced by preference dividend	Average shareholders equity	15.39%	16.69%	-8%	
e)	Inventory turnover ratio	Cost of construction materials consumed+Stores and spares+power and fuel	Average inventory	0.82	0.90	-9%	
f)	Trade receivables turnover ratio	Revenue from Operations	Average trade receivable	4.20	4.48	-6%	
g)	Trade payables turnover ratio	Cost of construction materials consumed+Cost of Construction+Operating expenses (excluding notional expenses**)	Average trade payable	0.58	0.70	-17%	
h)	Net capital turnover ratio	Revenue from Operations	Working capital (Current Assets - Current Liabilities)	22.52	48.34	-53%	Increase in net working capital
i)	Net profit ratio	Net profit	Revenue from Operations	3.43%	3.29%	4%	
j)	Return on capital employed	Earnings before interest and tax	Average Capital employed (i.e. Sum of Total Equity + Total Debt)	0.22	0.23	-4%	
k)	Return on investment	Earnings before interest and tax	Average total assets	0.07	0.07	7%	

** Notional expenses includes Advances written off, Bad / irrecoverable debtors / unbilled revenue written off, Provision for Doubtful Debtors / Advances, Expected credit loss on contract assets and trade receivables, Provision for foreseeable losses for onerous contracts

Note 53.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13th November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 54.A.

As of 31st March, 2024 the Company has an outstanding receivables amounting to ₹ 92.77 Crores from SP Jammu Udhampur Highway Limited (SP Juhi) under the EPC contract for the Jammu Udhampur Road Project of NHAI. SP Jammu Udhampur Highway Limited (SP Juhi) had assigned the same to Shapoorji Pallonji Solar Holdings Pvt Ltd. (SP Solar) vide deed of assignment dated 20th July, 2022 between SP Juhi and SP Solar, which got subsequently merged with Shapoorji Pallonji Infrastructure Capital Co. Pvt. Ltd.

Note 54.B.

The Company was using accounting software i.e. 'SAP ECC' as its books of accounts till 20th November, 2023. The Company has upgraded its accounting software to 'SAP S/4 Hana with rise' with effect from 21st November, 2023. While SAP audit logging has been enabled throughout the year and captures all the changes made in the application system through an audit log, the same was not enabled for SAP ECC database for the period 01st April, 2023 to 20th November, 2023. However, access to SAP ECC database was restricted solely to IT administrators for essential system maintenance tasks such as operating system and database upgrades as well as patch management. In SAP S/4HANA with rise, database is maintained on cloud with the service provider and hence the management cannot make any changes at database level except by way of raising a ticket with SAP S/4Hana with rise accounting software.

Note 55.

The standalone financial statement is approved and adopted by the Board of Directors in it's meeting held on 14th June, 2024.

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

K.SUBRAMANIAN
Executive Vice Chairman
DIN: 00047592

S.PARAMASIVAN
Managing Director
DIN: 00058445

NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2024

Place: Mumbai
Date: 14th June, 2024

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

INDEPENDENT AUDITOR'S REPORT

To The Members of AFCONS INFRASTRUCTURE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Afcons Infrastructure Limited** ("the Parent") and its 11 subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the branches of the Group located at Mauritius, Mozambique, Gabon, Zambia, Mauritania, Ghana, Bhutan, Bangladesh, Liberia, Tanzania, Kuwait, Maldives, Indonesia, Qatar, Peru, Ivory Coast, Jordan, Oman, Abu Dhabi, Bahrain and Benin and which includes 16 jointly controlled operations of the Group accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the branch auditors and other auditors on separate financial statements of the branches and jointly controlled operations and subsidiaries referred to in the Other Matters section below, 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

1. We draw attention to Note no. 40 of the consolidated financial statements, which describes the uncertainties relating to the outcome of the proceedings in arbitration and High Court in respect of variations recognised by the company in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 40, the management of the company is of the view that the amounts recognised as amount due from customers under construction contracts, are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that the proceedings in arbitration and High Court are ongoing, the duration and outcome is uncertain.

2. Audit report on the Financial Statements of Transtonnelstroy Afcons Joint Venture (a jointly controlled operation included in the Consolidated Financial Statements of the Group) includes an emphasis of matter as under:

   "We draw attention to Note 33 to the Financial Statements, which describes the uncertainties relating to the outcome of the negotiation, proceedings in arbitration, High Court and Supreme Court in respect of variations recognised by the joint venture in earlier years in terms of the provisions of the contract with the client, on account of matters stated therein.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid claims, in terms of the provisions of the contract, which is supported by legal opinion, the management is of the view that the amounts recognised as amount due from customers under construction contracts and trade receivable including interest on trade receivables as per arbitration award, are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that the negotiation, proceedings in arbitration, High Court and Supreme Court are ongoing, the duration and outcome is uncertain.

   Our opinion is not modified in respect of this matter."

   Note 33 as described above is reproduced as Note 37 to the Consolidated Financial Statements.

3. Audit report on the Financial Statements of Afcons Gunanusa Joint Venture (a jointly controlled operation included in the Consolidated Financial Statements of the Group) includes an emphasis of matter as under:

   "We draw attention to Note 26 to the Financial Statements, which describes the uncertainties relating to the outcome of the arbitration proceedings in respect of claims recognized by the Joint Venture in the earlier years, on account of change orders.

   Based on the Management's estimates and technical evaluation of the recoverability in terms of the provisions of the contract, which is supported by legal opinion, the management is of the view that the amounts recognized as amount due from customers under construction contract are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that the arbitration proceedings are ongoing, the duration and outcome is uncertain.

   Our opinion is not modified in respect of this matter."

   Note 26 as described above is reproduced as Note 36 to the Consolidated Financial Statements.

4. Audit report on the Financial Statements of Dahej Standby Jetty Project Undertaking (a jointly controlled operation included in the Consolidated Financial Statements of the Group) includes an emphasis of matter as under:

   "We draw attention to Note no. 23 to the Financial Statement, which describes the uncertainties relating to the outcome of the Hon'ble High Court Delhi, proceedings, where the Joint Venture has filed appeal to set aside an unfavourable award granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture.

   Based on the Management's assessment and technical evaluation of the recoverability of the aforesaid client claims which are already encashed and claims filed by the Joint Venture against the client, in terms of the provisions of the contract, which is supported by a legal opinion, as stated in the said Note 23, the management is of the view that the amounts recognised as amount due from customers under construction contracts and other receivable, are considered as good and fully recoverable and no provision is considered necessary at this stage. However, considering that the proceedings in High Court are ongoing, the duration and outcome is uncertain.

Our opinion is not modified in respect of this matter."

Note 23 as described above is reproduced as Note 38 to the Consolidated Financial Statements.

Our opinion is not modified in respect of the above matters.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexures to Board's report, but does not include the consolidated financial statements, standalone 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, compare with the financial statements of the branches, jointly controlled operations and subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the branches, jointly controlled operations and subsidiaries, is traced from their financial statements audited by the branch auditors and other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 branches, entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such branches or entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other branches or entities or business activities included in the consolidated financial statements, which have been audited by the branch auditors or other auditors, such branch auditors and 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent 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 financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

(a) We did not jointly audit the financial statements/ financial information of 20 branches and 16 jointly controlled operations included in the standalone financial statements of the companies included in the Group whose financial statements/financial information reflect total assets of Rs. 5,912.17 Crores as at 31st March 2024 and total revenue of Rs. 3,436.18 Crores for the year ended on that date, as considered in the respective standalone financial statements of the companies included in the Group. The financial statements / financial information of these branches and jointly controlled operations have been audited by the branch auditors or either of us in our individual capacity or jointly with other auditors or other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and jointly controlled operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branches and jointly controlled operations, is based solely on the report of such branch auditors, reports issued by either of us in our individual capacity or jointly with other auditors and other auditors.

(b) We did not jointly audit the financial statements of 11 subsidiaries, whose financial statements / financial information reflect total assets of Rs. 1,043.62 Crores as at 31st March 2024, total revenues of Rs. 445.58 Crores and net cash (outflows) amounting to Rs. (73.90) Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(c) We did not jointly audit the financial statements/ financial information of a branch whose financial statements/financial information reflect total assets of Rs. Nil as at 31st March 2024 and total revenue of Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. The financial statements / financial information is unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of a branch, is based solely on such unaudited financial statement/financial information. In our opinion and according to the information and explanations given to us by the Management, the financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches, jointly controlled operations and subsidiaries, referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept and proper returns adequate for the purposes of our audit have been received from the branches not visited by us, so far as it appears from our examination of those books, returns and the reports of the other auditors except for not complying with the requirement of audit trail as stated in paragraph (j) (vi) below.

   c) The reports on the accounts of the branch offices of the Companies included in the Group audited under Section 143(8) of the Act by branch auditors have been sent to us and other auditors and have been properly dealt with by us in preparing this report.

   d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received by us from the branches not visited by us.

   e) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   f) On the basis of the written representations received from the directors of the Parent as on 31st March 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its jointly controlled operation company, subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   g) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent, subsidiary companies, and jointly controlled operation company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   i) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Parent to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

      Further, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of subsidiary companies and jointly controlled companies incorporated in India, the said subsidiary companies and jointly controlled companies being private companies, section 197 of the Act related to the managerial remuneration is not applicable.

   j) 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, as amended 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, - Refer Note 29, 36, 37, 38, 40, 41, 42 and 43 to the consolidated financial statements.

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 18 to the consolidated financial statements. Further Group did not have any material foreseeable losses 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 Parent.

         There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and jointly controlled companies incorporated in India.

      iv) (a) The respective Managements of the Parent and its 4 subsidiaries and one of its jointly controlled operation company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and jointly controlled operation respectively that, to the best of their knowledge and belief, other than as disclosed in the note 48(x) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and joint controlled operation to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries or jointly controlled operation company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its 4 subsidiaries and one of its jointly controlled operation which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint controlled operation respectively that, to the best of their knowledge and belief, other than as disclosed in the note 48(x) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and joint controlled operation from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and joint controlled operation shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint controlled operation which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The preference and equity dividend of the previous year, declared and paid by the Parent, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 12(B) and 12.12 to the consolidated financial statements, the Board of Directors of the Parent have proposed dividend on equity and preference shares for the year 2023-24 which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

The jointly controlled operation company and subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies and its jointly controlled operation which are companies incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary companies and its jointly controlled operation which are companies incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended 31st March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at the database level to log any direct data changes for the period 1st April 2023 to 20th November 2023.

Further, during the course of audit, we and the respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 24049660BKFRRM5942

Place: Mumbai
Date: 24th June, 2024

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 24030035BKEIZO8662

Place: Mumbai
Date: 24th June, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements 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 Ind AS financial statements of the Company as at and for the year ended 31st March 2024, we have audited the internal financial controls with reference to consolidated financial statements of Afcons Infrastructure Limited (hereinafter referred to as the "Parent") and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of the Company's jointly controlled operation, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, and jointly controlled operation, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, and its jointly controlled operation, which are companies incorporated in India, 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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 and the audit evidence obtained by the other auditors of the subsidiary companies, jointly controlled operations, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent its subsidiary companies, and its jointly controlled companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March 2024, based on the criteria for internal financial control with reference to consolidated financial statements 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a jointly controlled operation and 4 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm Registration No. 117366W/ W-100018

Nilesh Shah
Partner
Membership No. 049660
UDIN: 24049660BKFRRM5942

Place: Mumbai
Date: 24th June, 2024

For **HDS & Associates LLP**
Chartered Accountants
Firm Registration No. W-100144

Suresh K. Joshi
Partner
Membership No. 030035
UDIN: 24030035BKEIZO8662

Place: Mumbai
Date: 24th June, 2024

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Consolidated Balance Sheet as at 31st March, 2024 (₹ in Crores)

	Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	3.A	2,715.14	2,448.75
	(b) Capital work-in-progress	3.B	43.07	183.60
	(c) Right-of-use assets	3.E	67.91	48.72
	(d) Goodwill	3.C	0.14	0.14
	(e) Intangible assets	3.D	0.60	0.61
	(f) Financial assets			
	(i) Investments	4	0.77	0.50
	(ii) Trade receivables	5	499.20	651.22
	(iii) Other financial assets	7	417.99	365.92
	(g) Contract assets	8	1,271.01	1,416.49
	(h) Non current tax assets (net)	11	53.64	28.80
	(i) Other non-current assets	8.2	190.88	181.54
	Total non-current assets		**5,260.35**	**5,326.29**
2	**Current assets**			
	(a) Inventories	9	1,626.56	1,585.79
	(b) Financial assets			
	(i) Trade receivables	5	3,120.99	2,196.63
	(ii) Cash and cash equivalents	10	413.26	319.32
	(iii) Bank balances other than (ii) above	10.1	253.00	58.12
	(iv) Loans	6	61.83	53.35
	(v) Other financial assets	7	501.34	398.31
	(c) Contract assets	8	3,954.39	3,272.51
	(d) Other current assets	8.2	1,041.92	1,090.92
	Total current assets		**10,973.29**	**8,974.95**
	Total assets (1+2)		**16,233.64**	**14,301.24**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12.A	340.74	71.97
	(b) Instruments entirely equity in nature	12.B	-	450.00
	(c) Other equity	13	3,255.21	2,653.72
	Equity attributable to shareholders of the Company		3,595.95	3,175.69
	Non controlling interest		1.56	1.56
	Total Equity		**3,597.51**	**3,177.25**
2	**Liabilities**			
	(A) Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	597.69	596.48
	(ii) Lease Liabilities	51	35.15	15.68
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		23.21	51.95
	(b) Total outstanding due to creditors other than micro and small enterprises		407.79	420.89
	(iv) Other financial liabilities	16	126.53	156.88
	(b) Contract liabilities	17	1,451.29	1,524.03
	(c) Provisions	18	9.31	8.87
	(d) Deferred tax liabilities (net)	21	103.67	99.29
	Total non-current liabilities		**2,754.64**	**2,874.07**
	(B) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	1,857.32	966.35
	(ii) Lease Liabilities	51	33.08	33.75
	(iii) Trade payables	15		
	(a) Total outstanding due to micro and small enterprises		198.45	375.93
	(b) Total outstanding due to creditors other than micro and small enterprises		4,127.17	3,132.57
	(iv) Other financial liabilities	16	269.85	362.37
	(b) Contract liabilities	17	2,998.16	3,015.28
	(c) Provisions	18	227.22	150.02
	(d) Current tax liabilities (net)	19	83.89	93.56
	(e) Other current liabilities	17.1	86.35	120.09
	Total current liabilities		**9,881.49**	**8,249.92**
	Total liabilities (A+B)		**12,636.13**	**11,123.99**
	Total equity and liabilities (1+2)		**16,233.64**	**14,301.24**
	See accompanying notes 1 to 55 forming part of the consolidated financial statement			

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

NILESH SHAH
Partner
Membership No. 049660

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2024

For and on behalf of the Board of Directors

K.SUBRAMANIAN
Executive Vice Chairman
DIN: 00047592

S.PARAMASIVAN
Managing Director
DIN: 00058445

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 14th June, 2024

Consolidated Statement of Profit and Loss for the year ended 31st March, 2024 (₹ in Crores)

Sr. No.	Particulars	Note	For the year ended 31st March, 2024	For the year ended 31st March, 2023
1	Revenue from operations	22	13,267.50	12,637.38
2	Other income	23	379.38	206.71
3	**Total income (1 + 2)**		**13,646.88**	**12,844.09**
4	**Expenses**			
	(a) Cost of material consumed	24	4,012.48	3,851.71
	(b) Cost of construction	24.1	5,293.97	5,200.65
	(c) Employee benefits expense	25	1,383.42	1,298.23
	(d) Finance costs	26	577.26	446.66
	(e) Depreciation and amortisation expense	27	494.53	471.58
	(f) Other expenses	28	1,212.60	976.18
	Total expenses		**12,974.26**	**12,245.01**
5	**Profit before tax (3 - 4)**		**672.62**	**599.08**
6	**Tax expense:**	21		
	(a) Current tax		200.24	189.43
	(b) Deferred tax		7.24	(29.79)
	(c) Tax expense relating to prior year (net)		15.38	28.58
	Total tax expense		**222.86**	**188.22**
7	**Profit for the year from continuing operations (5 - 6)**		**449.76**	**410.86**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	(a) Changes in fair value of equity investments measured at FVOCI		0.26	(0.40)
	(b) Remeasurements of defined benefit plans		(11.37)	(2.80)
	Add: Tax effect		2.86	0.70
	B) Items that may be reclassified to profit or loss			
	(a) Exchange differences on translating the financial statements of a foreign operation		7.59	66.16
			(0.66)	**63.66**
9	**Total comprehensive income for the year (7 + 8)**		**449.10**	**474.52**
	Profit for the year attributable to:			
	- Owners of the Company		449.76	410.87
	- Non-controlling interest		(0.00)	(0.01)
			449.76	**410.86**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		(0.66)	63.66
	- Non-controlling interest		-	-
			(0.66)	**63.66**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		449.10	474.53
	- Non-controlling interest		(0.00)	(0.01)
			449.10	**474.52**
10	**Earnings per share (Face value of ₹ 10 each) (annualised)**	31		
	(a) Basic earnings per share (rupees)		13.20	12.06
	(b) Diluted earnings per share (rupees)		13.20	12.06
	See accompanying notes 1 to 55 forming part of the consolidated financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

K.SUBRAMANIAN
Executive Vice Chairman
DIN: 00047592

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NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2024

Place: Mumbai
Date: 14th June, 2024

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Consolidated statement of changes in equity for the year ended 31st March, 2024

a) Equity share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2022	**71.97**
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	**71.97**
Changes in equity share capital during the year	268.77
Balance as at 31st March, 2024	**340.74**

b) Instruments entirely equity in nature

Preference share capital

Particulars	(₹ in Crores)
Balance as at 1st April, 2022	**450.00**
Changes in preference share capital during the year	-
Balance as at 31st March, 2023	**450.00**
Changes in preference share capital during the year	(450.00)
Balance as at 31st March, 2024	**-**

c) Other equity (₹ in Crores)

Particular	Reserve and surplus						Other comprehensive income		Total other equity	Non Controlling interest	Grand Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	Contin-gencies reserve	General reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Equity Instruments through other comprehensive income			
Balance as at 1st April, 2022	0.84	0.13	10.28	8.00	65.75	2,059.79	25.22	20.08	2,190.09	(9.28)	**2,180.81**
Profit for the year	-	-	-	-	-	410.87	-	-	**410.87**	(0.01)	**410.86**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	(2.10)	66.16	(0.40)	**63.66**	-	**63.66**
Other adjustment (Minority interest of Afcons Construction Mideast LLC)	-	-	-	-	-	(10.85)	-	-	**(10.85)**	10.85	**-**
Total comprehensive income for the year	0.84	0.13	10.28	8.00	65.75	2,457.71	91.38	19.68	**2,653.77**	**10.84**	**2,655.33**
Dividend including tax thereon	-	-	-	-	-	(0.05)	-	-	**(0.05)**	-	**(0.05)**
Balance as at 31st March, 2023	**0.84**	**0.13**	**10.28**	**8.00**	**65.75**	**2,457.66**	**91.38**	**19.68**	**2,653.72**	**1.56**	**2,655.28**
Balance as at 1st April, 2023	0.84	0.13	10.28	8.00	65.75	2,457.66	91.38	19.68	**2,653.72**	1.56	**2,655.28**
Profit for the year	-	-	-	-	-	449.76	-	-	**449.76**	-	**449.76**
Other comprehensive income for the year (Net of Income tax)	-	-	-	-	-	(8.51)	7.59	0.26	**(0.66)**	-	**(0.66)**
Premium on shares issued during the year	-	-	181.23	-		-	-	-	**181.23**	-	**181.23**
Total comprehensive income for the year	0.84	0.13	191.51	8.00	65.75	2,898.91	98.97	19.94	**3,284.05**	1.56	**3,285.61**
Dividend including tax thereon	-	-	-	-	-	(28.84)	-	-	**(28.84)**	-	**(28.84)**
Balance as at 31st March, 2024	**0.84**	**0.13**	**191.51**	**8.00**	**65.75**	**2,870.07**	**98.97**	**19.94**	**3,255.21**	**1.56**	**3,256.77**

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

K.SUBRAMANIAN
Executive Vice Chairman
DIN: 00047592

S.PARAMASIVAN
Managing Director
DIN: 00058445

NILESH SHAH
Partner
Membership No. 049660

SURESH K. JOSHI
Partner
Membership No. 030035

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 24th June, 2024

Place: Mumbai
Date: 14th June, 2024

Consolidated Statement of Cash Flow for the year ended 31st March, 2024 (₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cash flow from operating activities		
Profit before tax	672.62	599.08
Adjustments for :		
Depreciation and amortisation expense	494.53	471.58
Loss on property, plant and equipment sold/scrapped (net)	12.03	22.03
Interest income recognised in Statement of profit or (loss)	(133.87)	(43.42)
Insurance claim received	(9.65)	(17.45)
Finance costs	577.26	446.66
Advances written off	1.07	-
Bad debts/unbilled revenue and sundry debit balances written off	3.08	9.43
Provision for doubtful debtors / advance no longer required written back	-	(19.12)
Provision for expected credit loss	27.47	22.93
Creditors / excess provision written back	(17.97)	(4.44)
Provision for projected losses on contract (net)	60.13	3.01
Net exchange difference	(53.23)	(73.72)
Operating profit before working capital changes	**1,633.47**	**1,416.57**
(Increase) / decrease in trade receivables (including retention monies)	(793.91)	125.15
(Increase) in inventories	(40.77)	(315.55)
(Increase) in contract assets	(546.65)	(731.41)
(Increase) in financial assets	(38.74)	(318.82)
Decrease in other assets	65.23	164.10
Increase in trade payable	792.19	850.59
Increase / (decrease) in contract liabilities	(33.83)	123.26
(Decrease) in financial liabilities	(51.81)	(69.15)
Increase / (decrease) in other liabilities	(33.74)	72.39
Increase/ (decrease) in provisions	6.13	(1.78)
Cash from operations	**957.57**	**1,315.35**
(Payment) of Income Tax	(250.12)	(99.90)
Net Cash flow from operating activities	**707.45**	**1,215.45**
Cash flow from investing activities		
Payments for property, plant and equipment	(716.40)	(918.96)
Proceeds from sale of property, plant and equipment	34.04	9.03
Investment in other bank balance redeemed	9.25	74.36
Investment in other bank balance (made)	(211.60)	(63.56)
Interest received	16.50	11.49
Insurance claim received	9.65	17.45
Net Cash flow (used in) investing activities	**(858.56)**	**(870.19)**
Cash flow from financing activities		
Proceeds from long-term borrowings	201.63	374.34
Repayment of long-term borrowings	(200.42)	(179.75)
Proceeds / (Repayment) from short-term borrowings - net	888.64	(185.56)
Finance costs paid	(574.93)	(448.06)
Principal element of lease payments (net)	(40.56)	(43.45)
Dividend paid on equity shares (including tax thereon)	(28.79)	-
Dividend paid on preference shares (including tax thereon)	(0.05)	(0.05)
Net Cash flow from / (used in) financing activities	**245.52**	**(482.53)**
Net increase / (decrease) in cash and cash equivalents	**94.41**	**(137.27)**
Cash and cash equivalents at the beginning of the year	319.32	447.08
Effects of exchange rate changes on cash and cash equivalents	(0.47)	9.51
Cash and cash equivalents at the end of the year	**413.26**	**319.32**

Non-Cash financing and investing activities:		
Acquisition of Right-of-use assets	63.83	42.76

Notes

1. The above Cash flow statement has been prepared under the "Indirect Method" set out in Ind AS 7 '*Cash Flow Statements*'.
2. Figures relating to previous year have been recast where necessary to conform to figures of the current year.

Consolidated Statement of Cash Flow for the year ended 31st March, 2024 (Continued)

Net debt reconciliation

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash and Cash equivalent	413.26	319.32
Liquid investments	253.00	58.12
Lease liabilities	(68.23)	(49.43)
Current / Non-current borrowings	(2,455.01)	(1,562.83)
Net Debt	**(1,856.98)**	**(1,234.82)**

(₹ in Crores)

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalents	Liquid investment	Lease liabilities	Borrowings	
Net Debt as on 1st April, 2022	**447.08**	**79.34**	**(68.03)**	**(1,555.20)**	**(1,096.81)**
Cash flows	(137.27)	(21.22)	-	(9.03)	**(167.52)**
Acquisitions - leases (net)	-	-	(24.67)	-	**(24.67)**
Lease payments	-	-	43.46	-	**43.46**
Foreign exchange adjustments	9.51	-	0.09	-	**9.60**
Interest expense	-	-	(5.12)	(237.68)	**(242.80)**
Interest paid	-	-	4.84	239.08	**243.92**
Net Debt as on 31st March, 2023	**319.32**	**58.12**	**(49.43)**	**(1,562.83)**	**(1,234.82)**
Cash flows	94.41	194.88	-	(889.85)	**(600.56)**
Acquisitions - leases (net)	-	-	(59.01)	-	**(59.01)**
Lease payments	-	-	40.35	-	**40.35**
Foreign exchange adjustments	(0.47)	-	(0.14)	-	**(0.61)**
Interest expense	-	-	(4.43)	(348.82)	**(353.25)**
Interest paid	-	-	4.43	346.49	**350.92**
Net Debt as on 31st March, 2024	**413.26**	**253.00**	**(68.23)**	**(2,455.01)**	**(1,856.98)**

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
Firm Registration No.117366W/W-100018

NILESH SHAH
Partner
Membership No. 049660

For HDS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration No. W100144

SURESH K. JOSHI
Partner
Membership No. 030035

Place: Mumbai
Date: 24th June, 2024

K.SUBRAMANIAN
Executive Vice Chairman
DIN: 00047592

S.PARAMASIVAN
Managing Director
DIN: 00058445

RAMESH KUMAR JHA
Chief Financial Officer

GAURANG M. PAREKH
Company Secretary

Place: Mumbai
Date: 14th June, 2024

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 1: General information

Afcons Infrastructure Limited (the "Company" or "Afcons") is a limited company incorporated in India. Shapoorji Pallonji and Company Private Limited was the Parent Company upto 12th January, 2024. Upon conversion of convertible preference shares, Goswami Infratech Private Limited has become the Parent Company w.e.f 13th January, 2024.

The Company together with its Jointly controlled operations and subsidiaries (as detailed in note 2.a & 2.b) is herein after referred to as the 'Group'.

The address of its registered office is "Afcons House", 16 Shah Industrial Estate, Veera Desai Road, Andheri (West), Mumbai 400 053 and principal place of business is Mumbai, India. The principal activity of the Group is infrastructure activities. Afcons has a presence in almost the entire spectrum of infrastructure activities in India and overseas. The Group is engaged in marine works, highways, bridges, metro works, power houses, tunnels, oil and gas, LNG tanks and other general civil engineering projects both in India and Africa and Mideast countries.

Standards issued and effective from April 01, 2023:

On 31st March, 2023, Ministry of Company Affairs issued Companies (Indian Accounting Standards) Amendment Rules, 2023 (2023 amendments). This amendments are applicable from 01st April, 2023. These amendments do not have any significant impacts. The key amendments include.

Ind AS 1 Presentation of Financial statements

Companies should disclose their material accounting policy information rather than their significant accounting policies and accounting policies related to immaterial transactions, other events or conditions which are themselves immaterial are not required to be disclosed. Companies need to clarify that not all accounting policies that relate to material transactions, other events or conditions are material to a Company's financial statements.

Ind AS 34 Interim Financial Reporting

The entities shall disclose material accounting policy information in their interim financial statements, rather than their significant accounting policies.

Ind AS 8 Accounting policies, Changes in Accounting estimates and Errors

The 2023 amendments replaces the definition of 'change in accounting estimates' with the definition of "accounting estimates.' The definition of accounting estimates states: "Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainties." The amendments also clarify the relationship between accounting policies and accounting estimates by stating that the Company develops accounting estimate to achieve the objectives set out by an accounting policy.

Developing an accounting estimate includes use of both measurement techniques and inputs. Measurement techniques includes selection of estimation techniques or valuation techniques used to measure the fair value of an asset or a liability applying Ind AS 113, Fair value measurement. The effects of changes in such inputs or measurement techniques are changes in accounting estimates, unless they result from the correction of prior period errors.

Ind AS 12 Income Taxes

The amendment clarifies how company should account for deferred tax related to assets and liabilities arising from a single transaction. e.g. lease and decommissioning provision. The amendment narrows the scope of the initial recognition exemption, so that it does not apply to transactions that give rise to equal and offsetting temporary differences, such as lease and decommissioning provisions. Thus, Companies should recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition in such transactions. For the above items the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity as on that date. If the Company previously accounted for deferred tax under net approach, the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

A. Basis of preparation and presentation

i) Compliance with Ind AS

The consolidated financial statements of Afcons Infrastructure Limited ("The Company" or "Afcons") has been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

ii) Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for consolidated financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

iii) Operating cycle

The consolidated balance sheet presents current and non-current assets, and current and non-current liabilities, as separate classifications. For this purpose, an asset is classified as current if:

- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is held primarily for the purpose of trading; or
- It is due to be settled within 12 months after the reporting period; or
- The Group does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

iv) Basis of consolidation

The consolidated financial statement incorporates the financial statement of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Group and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the net assets of the associate, since the acquisition date. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of investee is recognised as Goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognised in equity as Capital reserve, in the period in which the investment is acquired.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate. Any change in Other Comprehensive Income (OCI) is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of that changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains or losses, resulting from transactions between the Group and the associate, are eliminated to the extent of the interest in the associate.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

When the Group's share of losses of an associate or equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profit equals the share of losses not recognised.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.B.14.3 below.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group's share of the results, assets and liabilities of contracts carried out in conjunction with another party are included under each relevant heading in the consolidated financial statement.

Material Accounting policies

1.B.1. Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.B.2. a) Interests in Jointly Controlled Operations

Company enters into Joint Venture arrangement with other parties for execution of construction arrangements for which an unincorporated vehicle is formed having an independent legal status for the tax purpose i.e. Association of person/Body of individual etc. Such arrangement (also called as jointly controlled operations) is considered as extension of business, if in accordance with the terms of the arrangement, Company acts as a principal and remains solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, all the assets, liabilities, revenue and expenses pertaining to such unincorporated vehicle is consolidated in the separate financial statements of the Company.

Similarly, in case the Company is acting as an agent in such kind of arrangements, where the other party to the arrangement is solely liable for the executing the entire project on its own, funding or contributing assets and is also responsible for all the liabilities in the unincorporated vehicle. Accordingly, the Company recognises its share of profits/fees as determined in the arrangement in the separate financial statements of the Company.

1.B.2. b) Interest in unincorporated Joint ventures

When the Company enters into a joint venture (JV) arrangement with other parties and an unincorporated vehicle is formed which has a separate status for tax purposes (i.e. Association of person/Body of individual etc.) and if as per the terms of agreement, the Company remains liable for all the liabilities of the unincorporated vehicle and is also responsible for funding or contributing assets to the unincorporated vehicle for construction activity, this unincorporated vehicle (also considered and called as Jointly controlled operation) has been considered as an extension of the Company from accounting point of view and assets, liabilities, revenue and expenses are consolidated on the basis of its share in the operations in the separate financial statement of the Company.

1.B.3. Revenue recognition

Sale of goods

Revenue from sale of goods is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer. Customers obtain control as per the incoterms. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Rendering of services:

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Construction contracts:

The Group recognises revenue from engineering, procurement and construction contracts ('EPC') over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. EPC contracts are generally accounted for as a single performance obligation as it involves complex integration of goods and services.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

The performance obligations are satisfied over time as the work progresses. The Group recognises revenue using input method (i.e. percentage-of-completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Group estimates the amount of consideration to which it will be entitled in exchange for work performed.

Due to the nature of the work required to be performed on the performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, discounts, if any. The Group considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Group includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available. Various agreements are entered with customers wherein the Group pays a certain portion of the finance cost to the funding agencies of the project. In practice, these payments are considered as payment on behalf of the customer. These payments are not related to a distinct service or product by customer. An estimated amount to be paid over the lifecycle of the project is calculated and accordingly the same is accounted for as a reduction of contract revenue.

Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Billing terms of the over-time contracts vary but are generally based on achieving specified milestones. The difference between the timing of revenue recognised and customer billings result in changes to contract assets and contract liabilities. Payment is generally due upon receipt of the invoice, payable within 90 days or less. Contractual retention amounts billed to the customers are generally due upon expiration of the contract period or any other conditions as mentioned in the contract.

The contracts generally result in revenue recognised in excess of billings which are presented as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Group's remaining performance as specified under the contract, which is consistent with the industry practice. Contract liabilities represent amounts billed to customers in excess of revenue recognised till date. A liability is recognised for advance payments and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage. The same is presented as contract liability in the statement of financial position. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer".

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion is based primarily on contract cost incurred to date compared to total estimated contract cost for each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other operating income

Income from export incentives is recognised on cash basis to the extent the ultimate realisation is reasonably certain.

1.B.4. Foreign currencies

(i) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statement is presented in Indian Rupee (INR), which is Group's functional and presentation currency. For each entity (branches, subsidiaries and Jointly controlled operations), the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing these consolidated financial statements, the Group has applied following policies:

A) Foreign Branches of the Group (outside India with functional currency other than presentation currency): -

1. Income and expense items are translated at the exchange rates at the dates of the transactions and all resulting exchange differences are recognised in the Statement of Profit and Loss.
2. Non-monetary assets and liabilities are measured in terms of historical cost in foreign currencies and are not translated at the rates prevailing at the reporting period. Monetary assets and liabilities are translated at the rates prevailing at the end of each reporting period. Exchange differences on translations are recognised in the Consolidated Statement of Profit and Loss.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

B) Joint Operations and subsidiaries outside India with functional currency other than presentation currency:

1. Assets and liabilities, both monetary and nonmonetary are translated at the rates prevailing at the end of each reporting period.
2. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

(ii) Foreign currency transactions and balances

In preparing the consolidated financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a foreign operation, or a partial disposal of an interest in a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a foreign operation that does not result in the Group losing control over the foreign operation, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences on such items are recognised in other comprehensive income.

1.B.5. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.B.6. Employee benefits

1.B.6.1 Retirement benefit costs and termination benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences and leave encashment.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The liability or asset recognised in the balance sheet in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less fair value of plan assets.

For defined retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognized in the consolidated financial statements represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

1.B.6.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, wages and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Provision for leave benefits to employees is based on actuarial valuation done by projected accrued benefit method at the reporting date.

1.B.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.B.7.1 Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate~~s~~ and generate~~s~~ taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

1.B.7.2 Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that the taxation authority will accept tax position taken by the Group. Uncertain tax positions are reflected in the overall measurement of the Group's tax expense and are based on the most likely amount or the expected value arrived at by the Group which provides a better prediction of the resolution of uncertainty. Uncertain tax positions are monitored and updated as and when new information becomes available, typically upon examination or action by the taxing authorities or through statute expiration and judicial precedent. The Group considers whether a particular amount payable or receivable for interest and penalties is an income tax, in which case Ind AS 12 is applied to that amount. When an amount payable for interest and penalties is determined to be within the scope of Ind AS 37, it is presented as part of financing cost or other expenses, respectively unless when there is an overall settlement with tax authority and the interest and penalties cannot be identified separately in which case it is determined to be part of income taxes.

1.B.7.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.B.8 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. It also includes initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Replacement cost of an item of property, plant and equipment is capitalised if replacement meets the recognition criteria.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Carrying amount of items replaced is derecognised. Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised (if they meet the asset recognition criteria) and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Estimated useful lives of the assets are as follows:

Buildings - 60 years

Furniture and fixtures - 10 years

Vehicles - 10 years

Office equipment - 5 years

Freehold land is not depreciated

For following assets estimated useful life is different than the useful life prescribed in schedule II to the Companies Act, 2013 and has been assessed on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Plant & Equipment (except Tunnel Boring Machines) which includes Cranes < 100 mt., Concreting, Crushing, Piling, Road making, Laboratory & Welding Equipment, Floating Equipment - 20 Years.

Tunnel Boring Machines - Length of the tunnel bored over life of the construction project for where it is used.

Cost of shuttering materials, issued to jobs, is charged off equally over a period of 4 years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.B.8.1 Capital work-in-progress

Property, plant and equipment that are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

1.B.9 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Useful life is as below:

Computer software - 5 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses from derecognition of an intangible asset, measured at the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

1.B.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

1.B.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost is determined on the basis of weighted average method.

1.B.12 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A contingent liability is disclosed where there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are not recognised. Information on contingent liabilities is disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

1.B.13 Financial instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are adjusted in the carrying amount of such financial assets and financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Consolidated Statement of Profit and Loss.

1.B.14 Financial assets

Classification and subsequent measurement of financial assets

1.B.14.1 Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification is done depending upon the Group's business model for managing the financial assets and the contractual terms of the cash flows. Classification for investments made in debt instruments will depend on the business model in which the investment is held. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

1.B.14.2 Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Debentures, Bonds etc. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Fair value through other comprehensive income

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through OCI, are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Equity instruments

Investments in equity instruments at FVTPL

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

1.B.14.3 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, contract assets, other contractual rights to receive cash or other financial asset.

For trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables and contract assets, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. The group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 49.8 details how the group determines whether there has been a significant increase in credit risk.

1.B.14.4 Effective interest method

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognised in the Consolidated Statement of Profit and Loss.

1.B.14.5 De-recognition of financial assets

A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

1.B.15 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

1.B.15.1 Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

1.B.15.2 De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.B.15.3 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income' as 'Net foreign exchange gains/(losses)'.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

1.B.16 Derivative financial instruments

The Group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

1.B.17 Leases:

The Group as lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Contracts may contain both lease and non-lease components. The Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

1) Lease Liabilities

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that are initially measured using the index or a rate at the commencement date and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate (since the interest rate implicit in the lease cannot be easily determined). Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2) Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, lease payments made before the commencement date, any initial direct costs and restorations cost.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Deferred tax on the deductible temporary difference and taxable temporary differences in respect of carrying value of right of use assets and lease liability and their respective tax bases are recognised on a net basis.

3) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise assets having value less than ₹ 350,000.

1.B.18 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year.

Ordinary shares to be issued upon conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

1.B.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of Afcons Infrastructure Limited assesses the financial performance and position of the Group, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 32 for segment information presented.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

1.B.20 Credit Risk

The Group assess on a forward-looking basis the expected credit losses associated with its assets measured at amortised cost which includes lease receivables, trade receivables, other contractual rights to receive cash etc. The impairment methodology applied depends on whether there has been a significant increase in the credit risk since initial recognition of these financial assets. For the evaluation, the Group considers historical credit loss experience and adjusted for forward-looking information. Note 49.8 details how the Group determines whether there has been a significant increase in credit risk.

1.B.21 Government grants, subsidies and export incentives

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

C. Critical estimates and judgements

a) Revenue recognition

The Group's revenue recognition policy, which is set out in Note 1.B.3, is central to how the Group values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of long-term construction services, which require assessments and judgements to be made on changes in scope of work and claims and variations.

Across construction services there are several long-term and complex projects where the Group has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract.

- Determination of stage of completion;
- Estimation of project completion date;
- Provisions for foreseeable losses; and
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Revenue and costs in respect of construction contracts are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

b) Taxation

The Group is subject to tax in a number of jurisdictions and judgement is required in determining the worldwide provision for income taxes.

The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

c) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in the notes but are not provided for in the consolidated financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the Group is involved it is not expected that such contingencies will have material effect on its financial position or profitability.

d) Useful lives of property, plant and equipment

As described at note 1.B.8 above, the Group reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. There was no change in the useful life and residual values of property, plant and equipment as compared to previous year.

e) Impairment of trade receivables and contract assets

The Group has recognised trade receivables with a carrying value of ₹ 3,620.19 Crores (as at 31st March, 2023: ₹ 2,847.85 Crores). The recoverability of trade receivables is regularly reviewed in the light of the available economic information specific to each receivable and specific provisions are recognised for balances considered to be irrecoverable.

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting period. The expected credit loss allowance for trade receivables is made based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Where the actual cash shortfalls vary from those estimated, these could impact the level of profit or loss recognised by the Group. The same policies are followed for contract assets.

f) Retirement benefit obligations

Details of the Group's defined benefit pension schemes are set out in Note 1.B.6.1, including tables showing the sensitivity of the pension scheme obligations and assets to different actuarial assumptions.

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

g) Arbitration claims

The forecast profit on contracts includes key judgements over the expected recovery of costs arising from the following: variations to the contract requested by the customer, compensation events, and claims made by the Group for delays or other additional costs for which the customer is liable. These claims could result in disputes that get settled through an arbitration process wherein the outcome of these awards including the timing and the amount (including interest thereon) requires a reasonable degree of estimation. The inclusion of these amounts requires estimation of their recoverability and could impact the level of profit or loss recognized by the Group.

h) Classification of assets / liabilities as Current and Non-current

The balance sheet presents current and non-current assets and current and non-current liabilities, as separate classifications. This classification involves managements estimate on expected realization of assets and settlement of liabilities within 12 months after the reporting period.

i) Classification of Joint Arrangement as a Jointly Controlled Operation /Joint Venture

A Jointly Controlled Operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When an entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;

b) Its liabilities, including its share of any liabilities incurred jointly;

c) Its revenue from the sale of the output arising from the joint operation;

d) Its share of the revenue from the sale of the output by the joint operation and

e) Its expenses, including its share of any expenses incurred jointly.

Accordingly, the Group has evaluated all its joint arrangements on the basis of the contractual arrangements entered into between the parties to the joint arrangements for execution of the project irrespective of the legal form.

D. Recent Indian Accounting Standards (Ind AS)

Ministry of Company Affairs notifies new standards or amendments to the existing standards. There is no such notification which would have been effective from 1st April, 2024.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 2(a): Details of subsidiaries at the end of the reporting year are as follows.

Name of subsidiary	Country of incorporation	Place of Activity	Principle Activity	Percentage holding-share
Hazarat and Company Private Limited	India	India	Other	100%
Afcons Corrosion Protection Private Limited	India	India	Cathodic Protection	100%
Afcons Hydrocarbons Engineering Private Limited	India	India	Other	100%
Afcons Oil & Gas Services Private Limited^^	India	India	Infrastructure	100%
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL*	Kuwait	Kuwait	Infrastructure	49%
Afcons Construction Mideast LLC**	U.A.E	U.A.E	Infrastructure	100%
Afcons Gulf International Projects Services FZE #	U.A.E.	U.A.E.	Investment	100%
Afcons Mauritius Infrastructure Limited	Mauritius	India	Investment	100%
Afcons Overseas Singapore Pte Limited	Singapore	Guinea,Mauritania, Ivory coast	Infrastructure	100%
Afcons Infra Projects Kazakhstan LLP %	Kazakhstan	Kazakhstan	Infrastructure	100%
Afcons Overseas Project Gabon SARL %	Gabon	Gabon	Infrastructure	100%

* Although, the parent Company has less than a majority of the voting rights of the investee, it has power over the investee as the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

^^ During the year Parent Company has acquired balance 26% shares of Afcons Oil & Gas Services Private Limited

** During the previous year Parent Company has acquired balance 51% shares of Afcons Construction Mideast LLC.

Subsidiary of Afcons Mauritius Infrastructure Limited.

% Subsidiary of Afcons Overseas Singapore Pte Limited

Note 2(b): Details of joint operations at the end of the reporting period are as follows.

Name of joint operations	Country of incorporation	Place of Activity	Principle Activity	Percentage holding-share
Dahej Standby Jetty Project Undertaking	India	India	Infrastructure	100%
Afcons Gunanusa Joint Venture	India	India	Infrastructure	100%
Afcons Pauling Joint Venture	India	India	Infrastructure	100%
Afcons Sibmost Joint Venture	India	India	Infrastructure	100%
Afcons Vijeta PES Joint Venture	India	India	Infrastructure	100%
Afcons SMC Joint Venture	India	Tanzania	Infrastructure	100%
Afcons - Vijeta Joint Venture	India	India	Infrastructure	100%
Afcons JAL Joint Venture	India	India	Infrastructure	100%
Transtonnelstroy Afcons Joint Venture	India	India	Infrastructure	99%
Afcons KPTL Joint Venture	India	Bangladesh	Infrastructure	51%
Afcons Sener LNG Construction Projects Private Limited	India	India	Infrastructure	49%
Ircon Afcons Joint Venture	India	Bangladesh	Infrastructure	47%
Strabag AG Afcons Joint Venture	India	India	Infrastructure	40%
Afcons Infrastructure Limited and Vijeta Projects and Infrastructures Limited Joint Venture	India	Tanzania	Infrastructure	100%
Afcons - Vijeta Joint Venture	India	Zimbabwe	Infrastructure	100%
Afcons - Hindustan Joint Venture	India	India	Infrastructure	100%

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 3. Property, plant and equipment

A. Tangible assets

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2023	Additions	Disposals	Balance as at 31st March, 2024	Balance as at 1st April, 2023	Depreciation for the year	Disposals	Balance as at 31st March, 2024	Balance as at 31st March, 2024
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	21.80	1.04	-	22.84	29.55
(c) Plant and equipment	3,214.16	470.54	(33.39)	3,651.31	1,547.57	296.09	(24.16)	1,819.50	1,831.81
(d) Furniture and fixtures	82.81	8.65	(7.32)	84.14	32.08	7.65	(5.87)	33.86	50.28
(e) Vehicles	51.59	16.89	(8.60)	59.88	27.80	4.75	(5.51)	27.04	32.84
(f) Office equipments	67.15	8.21	(8.62)	66.74	46.52	8.32	(7.82)	47.02	19.72
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	345.28	83.73	(33.21)	395.80	111.06	21.88	(1.71)	131.23	264.57
(i) Laboratory equipments	4.10	0.06	-	4.16	1.40	0.18	-	1.58	2.58
(j) Shuttering materials	505.77	108.19	-	613.96	372.71	86.94	-	459.65	154.31
(k) Accessories and attachments	185.24	70.52	-	255.76	103.27	27.48	-	130.75	125.01
Total	**4,715.75**	**766.79**	**(91.14)**	**5,391.40**	**2,267.00**	**454.33**	**(45.07)**	**2,676.26**	**2,715.14**

Previous year

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
(a) Freehold land	204.47	-	-	204.47	-	-	-	-	204.47
(b) Buildings	52.39	-	-	52.39	20.76	1.04	-	21.80	30.59
(c) Plant and equipment	2,867.77	411.19	(64.80)	3,214.16	1,288.26	297.92	(38.61)	1,547.57	1,666.59
(d) Furniture and fixtures	72.84	18.08	(8.11)	82.81	29.06	7.30	(4.28)	32.08	50.73
(e) Vehicles	54.05	3.89	(6.35)	51.59	28.71	4.89	(5.80)	27.80	23.79
(f) Office equipments	59.80	10.48	(3.13)	67.15	41.72	7.45	(2.65)	46.52	20.63
(g) Leasehold improvements	2.79	-	-	2.79	2.79	-	-	2.79	-
(h) Floating equipments	266.97	78.31	-	345.28	93.24	17.82	-	111.06	234.22
(i) Laboratory equipments	4.10	-	-	4.10	1.22	0.18	-	1.40	2.70
(j) Shuttering materials	409.85	95.92	-	505.77	301.13	71.58	-	372.71	133.06
(k) Accessories and attachments	144.89	40.35	-	185.24	81.64	21.63	-	103.27	81.97
Total	**4,139.92**	**658.22**	**(82.39)**	**4,715.75**	**1,888.53**	**429.81**	**(51.34)**	**2,267.00**	**2,448.75**

Notes:

Freehold land with a carrying amount of ₹ 203.00 Crores (As at 31st March, 2023 ₹ 203.00 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i). and 20.

Buildings carrying amount of ₹ 21.82 Crores (As at 31st March, 2023 ₹ 22.68 Crores) has been secured by equitable mortgage with consortium banks. Refer Note No. 14.1.(i). and 20.

Plant and machinery, vehicles, office equipments, floating equipments, laboratory equipments and accessories and attachments with a carrying amount of ₹ 2,250.32 Crores (As at 31st March, 2023 ₹ 1,969.95 Crores) has been secured by way of hypothecation in favour of term lenders and consortium banks have been secured through indenture of mortgage. Refer Note No.14.1.(i). and 20.

B. Capital Work-in-Progress:

Capital Work-in-Progress - Movement (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	183.60	17.53
Add: Additions during the year	24.78	183.41
Less: Capitalised during the year	(165.31)	(17.34)
Closing Balance	43.07	183.60

Capital Work-in-Progress - Ageing Schedule

(₹ in Crores)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	43.07	-	-	-	**43.07**
Projects temporarily suspended	-	-	-	-	**-**

Previous Year	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	**Total**
Project in progress	183.60	-	-	-	**183.60**
Projects temporarily suspended	-	-	-	-	**-**

The Company does not have any CWIP whose completion is overdue or has exceeded Its cost compared to its original plan and hence CWIP completion schedule is not applicable.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 3. Property, plant and equipment (Continued)

C. Goodwill

(₹ in Crores)

Cost or deemed cost	Balance as at 31st March, 2024	Balance as at 31st March, 2023
Balance at beginning of the year	0.14	0.14
Effect of foreign currency exchange differences	-	-
Balance at end of the year	**0.14**	**0.14**

D. Intangible assets

(₹ in Crores)

Particulars	Gross carrying value				Amortisation				Net carrying value
	Balance as at 1st April, 2023	Additions	Disposals	Balance as at 31st March, 2024	Balance as at 1st April, 2023	Amortisation for the year	Disposals	Balance as at 31st March, 2024	Balance as at 31st March, 2024
Computer software - acquired	13.19	0.03	-	**13.22**	12.58	0.04	-	**12.62**	**0.60**
Total	**13.19**	**0.03**	**-**	**13.22**	**12.58**	**0.04**	**-**	**12.62**	**0.60**

Previous Year

(₹ in Crores)

Particulars	Gross carrying value				Amortisation				Net carrying value
	Balance as at 1st April, 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Amortisation for the year	Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Computer software - acquired	13.20	-	(0.01)	13.19	12.54	0.04	-	12.58	0.61
Total	**13.20**	**-**	**(0.01)**	**13.19**	**12.54**	**0.04**	**-**	**12.58**	**0.61**

E. Right-of-use Asset

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2023	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2024	Balance as at 1st April, 2023	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2024	Balance as at 31st March, 2024
Land	105.56	13.54	(1.52)	**117.58**	63.15	24.68	-	**87.83**	**29.75**
Buildings	83.52	50.21	(2.96)	**130.77**	77.21	15.48	(0.08)	**92.61**	**38.16**
Total	**189.08**	**63.75**	**(4.48)**	**248.35**	**140.36**	**40.16**	**(0.08)**	**180.44**	**67.91**

Previous year

(₹ in Crores)

Particulars	Gross carrying value				Depreciation				Net carrying value
	Balance as at 1st April, 2022	Additions	Deletions due to discontinued agreements	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation for the year	Depreciation on deletions	Balance as at 31st March, 2023	Balance as at 31st March, 2023
Land	89.16	21.73	(5.33)	**105.56**	38.20	24.95	-	**63.15**	**42.41**
Buildings	75.08	20.93	(12.49)	**83.52**	60.48	16.78	(0.05)	**77.21**	**6.31**
Total	**164.24**	**42.66**	**(17.82)**	**189.08**	**98.68**	**41.73**	**(0.05)**	**140.36**	**48.72**

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of Land or Building and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate);
- The Company also considers other factors including the costs and business disruption required to replace the leased asset;
- Most extension options in the leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 4. Non-current investments

Particulars	Face Value	As at 31st March, 2024		As at 31st March, 2023	
		Quantity	Amount	Quantity	Amount
			₹ in Crores		₹ in Crores
Investment in equity instruments at fair value through other comprehensive income					
Quoted Investments (fully paid)					
Investment in equity instruments :					
Hindustan Oil Exploration Company Limited	₹ 10	40,072	0.71	40,072	0.48
Hindustan Construction Company Limited	₹ 1	2,000	0.01	2,000	0.01
Simplex Infrastructures Limited	₹ 2	500	0.01	500	#
ITD Cementation India Limited	₹ 1	1,000	0.04	1,000	0.01
Gammon India Limited	₹ 2	250	#	250	#
Total aggregate quoted investments			**0.77**		**0.50**
Unquoted investments (fully paid)					
Investment in equity instruments :					
Simar Port Limited	₹ 10	1,000	#	1,000	#
Total aggregate unquoted investments			#		#
# Amount is below the rounding off norms adopted by the group.					
Total investments			**0.77**		**0.50**
Aggregate carrying amount of quoted investments			0.30		0.30
Aggregate market value of quoted investments			0.77		0.50
Aggregate carrying amount of unquoted investments			#		#

(₹ in Crores)

Category-wise other investments - as per Ind-AS 109 classification:	As at 31st March, 2024	As at 31st March, 2023
Financial assets measured at FVTPL	-	-
Financial assets carried at FVTOCI - equity instruments	0.77	0.50
Financial assets carried at amortised cost	-	-
	0.77	**0.50**

Note No 5. Trade receivables (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
From Customers:				
a) Unsecured, Considered good (including retention monies)	2,680.89	459.56	1,960.70	648.06
b) Having Significant increase in credit risk	-	101.81	-	84.60
c) Credit Impaired	-	-	-	-
	2,680.89	561.37	1,960.70	732.66
Less: Allowance for bad and doubtful receivables (expected credit loss allowance)	-	101.81	-	84.60
	2,680.89	459.56	1,960.70	648.06
From related parties (Refer Note 34)	440.10	39.64	235.93	3.16
Total	**3,120.99**	**499.20**	**2,196.63**	**651.22**

Note No. 5.1.A. - Movement in allowance for bad and doubtful receivables (expected credit loss allowance) (₹ in Crores)

Particulars	Current	Non Current
Balance as at 1st April, 2022	-	81.74
Add: Created during the year	-	17.70
Less: Released during the year	-	(14.84)
Balance as at 31st March, 2023	-	**84.60**
Add: Created during the year	-	17.21
Less: Released during the year	-	-
Balance as at 31st March, 2024	**-**	**101.81**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 5.1.B. - Trade Receivables ageing schedule (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables						
(i) Considered good (Current)	1,445.64	394.67	395.25	174.03	285.31	**2,694.90**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	1.30	2.29		89.43	**93.02**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**
Disputed Trade Receivables						
(i) Considered good (Current)	51.13	35.78	141.65	22.91	174.62	**426.09**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	6.03	-	-	141.89	258.26	**406.18**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	101.81	**101.81**

Previous Year (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables						
(i) Considered good (Current)	1,007.06	146.53	365.62	266.20	209.37	**1,994.78**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	1.15	2.11	1.60	27.18	60.61	**92.65**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	-	**-**
Disputed Trade Receivables						
(i) Considered good (Current)	0.03	141.65	59.40	0.01	0.76	**201.85**
(ii) Which have significant increase in credit risk (Current)	-	-	-	-	-	**-**
(iii) Considered good (Non-Current)	-	-	105.41	-	453.16	**558.57**
(iv) Which have significant increase in credit risk (Non-Current)	-	-	-	-	84.60	**84.60**

Note No 6. Loans (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Loans to related parties (unsecured, considered good) (Refer note 34)				
To Fellow subsidiaries*	42.59	-	39.44	-
To Joint operations# (net of Group share)	19.24	-	13.91	-
Total	**61.83**	**-**	**53.35**	**-**

These financial assets are carried at amortised cost

* Loan given to S P Engineering Service Pte Ltd as Interest bearing loan at SOFR + 2% towards working capital requirement repayable on demand.

Interest free loan given to Transtonnelstroy - Afcons Joint Venture, Afcons Sener LNG Construction Projects Pvt. Ltd & Afcons KPTL Joint Venture towards working capital requirement repayable on demand

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Amount Outstanding	% to the total loans and advances in the nature of loans	Amount Outstanding	% to the total loans and advances in the nature of loans
Amounts repayable on demand				
- Promoters	-	0.00%	-	0.00%
- Directors	-	0.00%	-	0.00%
- Key managerial personnel	-	0.00%	-	0.00%
- Other related party	61.83	100.00%	53.35	100.00%

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 7. Other financial assets

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
(a) Interest on trade receivables as per arbitration awards (Including from related parties (Current) ₹ 56.28 Crores) (Previous year ₹ 56.28 Crores)	157.14	232.54	76.25	196.06
(b) Deposits (Unsecured, considered good)				
(i) Security deposits	6.40	68.66	20.58	60.41
(ii) Other deposits	0.83	1.77	0.82	1.90
	7.23	70.43	21.40	62.31
(c) Advance to vendor recoverable in cash (Refer note 44)	269.55	-	271.79	-
(d) Other Loans and advances (doubtful)	-	0.16	-	0.16
Less: Provision for other doubtful loans and advances	-	0.16	-	0.16
	-	-	-	-
(e) Bank deposits having maturity of more than 12 months (given towards margin money / under lien)	-	35.74	-	28.27
(f) Others (includes Custom duty receivable, Encashment of Bank guarantee, etc.)	67.42	79.28	28.87	79.28
Total	**501.34**	**417.99**	**398.31**	**365.92**

Note No 8. Contract assets

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Contract assets				
Amounts due from customer under construction contracts				
Unsecured, considered good	3,954.39	1,271.01	3,272.51	1,416.49
Doubtful	-	63.38	-	53.13
	3,954.39	1,334.39	3,272.51	1,469.62
Less: Allowance for expected credit losses	-	63.38	-	53.13
Total	**3,954.39**	**1,271.01**	**3,272.51**	**1,416.49**

Note No. 8.1 - Movement in the expected credit loss allowance

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Opening balance for loss allowance	-	53.13	-	47.90
Add: Loss allowance assessed for the current year (net of reversal)	-	10.25	-	5.23
Less: Reversal of loss allowance on account of debts written-off	-	-	-	-
Closing balance for loss allowance	**-**	**63.38**	**-**	**53.13**

Note No 8.2 Other non-current & current assets

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
(a) Capital advances	-	40.84	-	21.79
(b) Pre-paid expenses	75.70	12.32	84.92	17.15
(c) Share issue expense recoverable (Refer note below)	7.96	-	-	-
(d) Balances with government authorities				
(i) GST / VAT credit receivable	630.07	107.25	608.61	112.13
(ii) Service Tax credit receivable	-	30.47	-	30.47
	630.07	137.72	608.61	142.60
(e) Others				
(i) Advance to vendors and others	253.30	-	304.31	-
(ii) Other receivables	73.87	-	89.11	-
(iii) Advances to employees	1.02	-	3.97	-
	328.19	-	397.39	-
Total	**1,041.92**	**190.88**	**1,090.92**	**181.54**

Note: Share issue expense recoverable of ₹ 7.96 Crores are incurred towards proposed Initial Public Offer, which will be partly set off against securities premium on completion of IPO (proportion of fresh issue to total issue size) and partly recoverable from the Promoter Selling Shareholders (proportion of Offer for sale to total issue size). Further, this amount includes ₹ 2.39 Crores payable to the joint statutory auditors.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 9. Inventories - at lower of cost or net realisable value (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Construction materials		
Steel	731.95	790.44
Cement	13.69	20.96
Aggregate	95.64	105.53
Other construction material	109.21	282.75
	950.49	1,199.68
Stores and spares	676.07	386.11
	676.07	386.11
Total	**1,626.56**	**1,585.79**

Note No 10. Cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks	410.80	316.87
Cash on hand	2.46	2.45
Total	**413.26**	**319.32**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the year.

Note No 10.1. Bank balance other than cash and cash equivalents (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Earmarked balance with banks		
- Unpaid dividend accounts	0.03	0.03
- Balances held as margin money or security against borrowings, guarantees and other commitments	41.59	46.01
- Other earmarked accounts / escrow accounts	1.77	1.68
Deposits having maturity of more than 3 months but less than 12 months	209.61	10.40
Total	**253.00**	**58.12**

Note No 11. Non current tax assets (Net) (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance income tax (net of provisions ₹ 269.03 Crores) (As at 31st March, 2023 ₹ 210.61 Crores)	53.64	28.80
Total	**53.64**	**28.80**

Note No 12. Share Capital

Note No 12.(A). Equity share capital

Particulars		As at 31st March, 2024		As at 31st March, 2023	
		Number of shares	**₹ in Crores**	**Number of shares**	**₹ in Crores**
1.	**Authorized:**				
	Equity share capital of ₹ 10 each	1,00,00,00,000	1,000.00	35,00,00,000	350.00
2.	**Issued, subscribed and fully paid up:**				
	Equity shares of ₹ 10 each. (Refer note 12.1 and 12.3 below)	34,07,38,269	340.74	7,19,70,238	71.97

12.1. Rights, preferences and restrictions attached to equity shares:

A member has a right to receive dividend as may be proposed by the board and approved at the annual general meeting. The Equity shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provision of the Act. Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

12.2. Details of equity shares held by each shareholder holding more than 5% of shares of the Company and Details of Shareholding of Promoters:

Class of shares / name of shareholder	As at 31st March, 2024		As at 31st March, 2023		Percentage Change in shareholding during the year
	Number of shares held	% holding	Number of shares held	% holding	
Equity shares					
Promoters:					
Goswami Infratech Private Limited	24,65,40,258	72.35	-	-	100.00
Shapoorji Pallonji & Company Private Limited	5,66,81,410	16.63	4,91,05,652	68.23	15.43
Floreat Investments Private Limited **	2,76,67,944	8.12	1,30,15,929	18.09	112.57
Promotor Group:					
Renaissance Commerce Private Limited*	40,24,619	1.18	-	-	-
Hermes Commerce Private Limited*	40,54,970	1.19	-	-	-
	33,89,69,201	**99.48**	**6,21,21,581**	**86.32**	97.54
Non Promoters:					
Renaissance Commerce Private Limited *	-	-	40,24,619	5.59	-
Hermes Commerce Private Limited *	-	-	40,54,970	5.63	-

* wholly owned subsidiary of Goswami Infratech Private Limited

** wholly owned subsidiary of Shapoorji Pallonji & Company Private Limited

12.3. Reconciliation of number of Equity Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Issued, subscribed and fully paid up	
	Numbers	₹ in Crores
Equity shares outstanding as at 1st April, 2022	**7,19,70,238**	**71.97**
Changes in equity share capital during the year	**-**	**-**
Equity shares outstanding as at 31st March, 2023	**7,19,70,238**	**71.97**
Changes in equity share capital during the year		
Add: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares	**24,65,40,258**	**246.54**
Add: Equity Share issued upon conversion of 0.01% Non cumulative and non profit participatory convertible preference shares	**1,46,52,015**	**14.65**
Add: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares	**75,75,758**	**7.58**
Equity shares outstanding as at 31st March, 2024	**34,07,38,269**	**340.74**

Note No 12.(B). Instruments entirely equity in nature

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
1. Authorized:				
Preference shares of ₹ 10 each.	75,00,00,000	750.00	65,00,00,000	650.00
Total	**75,00,00,000**	**750.00**	**65,00,00,000**	**650.00**
2. Issued, subscribed and fully paid up:				
(a) 0.01% Non cumulative and non profit participatory convertible preference shares of ₹ 10/- each held by Floreat Investments Private Limited upto 13th January 2024 (Refer note 12.5 below)	-	-	10,00,00,000	100.00
(b) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10/- each held by Goswami Infratech Private Limited upto 13th January 2024 (Refer note 12.6 below)	-	-	25,00,00,000	250.00
(c) 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares of ₹ 10/- each held by Shapoorji Pallonji & Company Private Limited upto 14th February 2024 (Refer note 12.7 below)	-	-	10,00,00,000	100.00

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

12.4. Reconciliation of number of Preference Shares of the Company and amount outstanding at the beginning and at the end of the year.

Particulars	Issued, subscribed and fully paid up	
	Numbers	₹ in Crores
Preference shares outstanding as at 1st April, 2022	**45,00,00,000**	**450.00**
Changes in Preference share capital during the year	-	-
Preference shares outstanding as at 31st March, 2023	**45,00,00,000**	**450.00**
Changes in preference share capital during the year		
Less: Equity Share issued upon conversion of 0.01% Non cumulative and non profit participatory convertible preference shares which were held by Floreat Investments Private Limited	**10,00,00,000**	**100.00**
Less: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares which were held by Goswami Infratech Private Limitied	**25,00,00,000**	**250.00**
Less: Equity Share issued upon conversion of 0.01% Fully and compulsorily convertible non-cumulative,non participatory preference shares which were held by Shapoorji Pallonji & Company Private Limited	**10,00,00,000**	**100.00**
Preference shares outstanding as at 31st March, 2024	**-**	**-**

12.5. Rights, preferences and restrictions attached to 0.01% Non Cumulative and non profit participatory convertible preference shares:

(a) The Preference Shares issued were non- cumulative and non profit participating convertible Preference Shares which were carrying a fixed rate of dividend of 0.01% per annum to be paid in priority to the holders of any other class of shares.

(b) The terms of these Preference Shares were varied with consent of the Preference Shareholder and the special resolution was passed with requisite majority of the members of the Company vide Postal Ballot effective on 30th November, 2018 whereby the preference shares shall be deemed to be converted into common equity shares of the Company at a price of ₹ 68.25/- per equity share (consisting of par of ₹ 10/- and a premium of ₹ 58.25/-) immediately, automatically and without any further act of the parties in the event of conversion of the preference shares by Goswami Infratech Private Limited.

(c) Every member of the Company holding preference shares were having right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

(d) On Mandatory conversion date i.e. 13th January 2024, pursuant to the resolution passed by the Stakeholders Relationship Committee of the Company on 13th January 2024 and in terms of the conversion terms stated in 12.4 (b) above, the said Preference shares were converted into equity shares of the Company and the said Preference shareholder (i.e. Floreat Investments Private Limited) was allotted 1,46,52,015 equity shares of ₹ 10/- each against the conversion of 10,00,00,000 Preference shares of ₹ 10/- each held by it. Accordingly, the Preference Shares held by Floreat Investments Private Limited stands extinguished. Resultantly, the equity shareholding of Floreat Investments Private Limited as on 31st March, 2024 stands increased from 1,30,15,929 equity shares to 2,76,67,944 equity shares of face value of ₹ 10/- each.

(e) The Board of Directors of the Company at its meeting held on 14th June, 2024 has recommended for approval of the members at the ensuing Annual General Meeting declaration of dividend @ 0.01% for the financial year 2023-24 on the preference shares held by it for the proportionate period of FY 2023-24 (i.e. from 01st April 2023 until the date of conversion of preference shares into equity shares on 13th January, 2024).

12.6. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares issued were entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which were be paid in priority to the holder of any other class of shares. According to the terms and conditions, which were approved by the equity shareholders via passing special resolution on 17th July, 2020, the preference shares had early conversion rights at any time on or after 31st July, 2020 (“Early conversion date”) prior to 13th January, 2024 (“Mandatory conversion date”).

(b) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares, in accordance with the provision of section 47 of Companies Act, 2023.

(c) The preference share and all equity shares issued on the conversion of the preference shares shall be freely transferable at the option of the holders of the preference shares. The Company confirms that the Board of Directors of the Company has duly approved the issuance and the terms of the preference share, including the right of the preference share holder to freely transfer the preference shares and the equity shares issued on the conversion of the preference shares and the Board of Directors of the Company shall not raise any objections under Article 37 of the Articles to any such transfer.

(d) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares were entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).The preference shares were not conferred any further right to participate in the profits or assets of the Company except as mentioned above.

(e) The terms and conditions of compulsory convertible preference shares held by Goswami Infratech Private Limited (GIPL) were amended in 2022 by varying / deferring the Early Conversion date ‘on or after 31st January, 2023’ from ‘any date on or after 31st July, 2020’ via passing a special resolution. Accordingly the preference shares were carrying rights of automatically and mandatorily be converted into equity shares on 13th January, 2024 (“mandatory conversion date”) or any early date of conversion at the instruction of the Preference shareholder (“early conversion date”).

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

(f) As per the terms and conditions, on mandatory conversion date or the early conversion date, as the case maybe, the preference shares were to be converted into such number of equity shares of the Company constituting 74% of the outstanding equity share capital and convertible preference shares of the Company calculated on a fully diluted basis on the date of issue (i.e. 14th January, 2008) resulting into 24,65,40,258 equity shares of the Company. Such equity shares of the Company shall at all times constitute atleast 72% (seventy-two per cent) of the outstanding equity shares of the Company on a fully diluted basis.

(g) During the year, on mandatory conversion date, pursuant to the resolution passed by the Stakeholders Relationship Committee of the Company on 13th January 2024 , the said preference shares were converted into equity shares of the Company and the said Preference shareholder (i.e. Goswami Infratech Private Limited) were allotted 24,65,40,258 equity shares of ₹ 10/- each against the conversion of 25,00,00,000 preference shares of ₹ 10/- each held by GIPL. Accordingly, the preference shares held by Goswami Infratech Private Limited stands extinguished. Resultantly, the equity shareholding of Goswami Infratech Private Limited as on 31st March, 2024 was 24,65,40,258 equity shares of face value of ₹ 10/- each.

(h) The Board of Directors of the Company at its meeting held on 14th June, 2024 has recommended for approval of the members at the ensuing Annual General Meeting declaration of dividend @ 0.01% for the financial year 2023-24 on the preference shares held by it for the proportionate period of FY 2023-24 (i.e. from 01st April 2023 until the date of conversion of preference shares into equity shares on 13th January, 2024).

12.7. Rights, preferences and restrictions attached to 0.01% fully and compulsorily convertible non-cumulative, non participatory preference shares:

(a) The preference shares issued were entitled to fixed non-cumulative preference dividend at the fixed rate of 0.01% per annum which were be paid in priority to the holder of any other class of shares. According to the terms and conditions, the preference shares had early conversion rights at any time on or after 14th February, 2024 ("Early conversion Date") prior to 21st March, 2024 ("Mandatory conversion date").

(b) Every member of the Company holding preference shares has a right to vote in the general meeting of the Company on resolutions placed before the Company which directly affect the rights attached to this preference shares.

(c) On return of capital on a liquidation or otherwise of the assets of the Company, the holder of preference shares were entitled, in priority to any payment to the holders of any other class of shares, to be repaid a sum equal to the capital paid up or credited as paid up on the preference shares held by it and all arrears and accruals (if any) of the preferential dividend calculated up to the date of the commencement of the winding-up (in case of winding-up) or the return of capital (in any other case).The preference shares were not conferred any further right to participate in the profits or assets of the Company except as mentioned above.

(d) As per the terms and conditions, on Mandatory Conversion Date or the Early Conversion Date (as the case may be) the preference shares shall be converted into such number of equity shares of the Company at the price of ₹ 132/- per equity shares (consisting of par of ₹ 10/- and a premium of ₹ 122/- per share) provided that in case of any fraction arising on conversion of preference shares into equity shares, such fraction equity shares shall be rounded off to the nearest number.

(e) Pursuant to the consent of the preference shareholder received vide their letter dated 29th December 2023 and there other class preference shareholder on 1st January 2024 and 2nd January, 2024 respectively , the Board of Directors of the Company had pursuant to it resolution taken at its meeting held on 5th January, 2024 initiated the action to obtain shareholders approval to the variation of the terms of the preference shares held by the preference shareholder (Shapoorji Pallonji and Company Private Limited) to provide for an option to the preference shareholders for exercise of right of an early conversion of the said preference shares on any day on or after 14th February 2024 but prior to the mandatory conversion date of 21st March, 2024. Accordingly, the requisite approval of the equity shareholder to the said variation of the terms of the preference shares was accorded on 8th February, 2024 vide Postal Ballot Process.

(f) Shapoorji Pallonji and Company Private Limited vide its letter date 12th February, 2024 requested for early conversion of the said preference shares on 14th February, 2024. Accordingly, pursuant to the resolution passed by the Board of Directors of the Company on 14th February, 2024, the said preference shares were converted into equity shares of the Company and the said Preference shareholder (i.e. Shapoorji Pallonji and Company Private Limited) was allotted 75,75,758 equity shares of ₹ 10/- each against the conversion of 10,00,00,000 preference shares of ₹ 10/- each held by it. Accordingly, the preference shares held by Shapoorji Pallonji and Company Private Limited stands extingushed. Resultantly, the equity shareholding of Shapoorji Pallonji and Company Private Limited as on 31st March, 2024 stands increased from 4,91,05,652 equity shares to 5,66,81,410 equity shares of face value of ₹ 10/- each.

(g) The Board of Directors of the Company at its meeting held on 14th June, 2024 has recommended for approval of the members at the ensuing Annual General Meeting declaration of dividend @ 0.01% for the financial year 2023-24 on the preference shares held by it for the proportionate period of FY 2023-24 (i.e. from 01st April, 2023 until the date of conversion of preference shares into equity shares on 14th February, 2024.

12.8. Details of preference shares held by each shareholder holding more than 5% of shares of the Company:

Class of shares / name of shareholder	As at 31st March, 2024		As at 31st March, 2023		Percentage Change in shareholding during the year
	Number of shares held	% holding	Number of shares held	% holding	
0.01% Non cumulative and non profit participatory convertible preference shares					
Floreat Investments Private Limited	-	-	10,00,00,000	100.00	(100.00)
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares					
Goswami Infratech Private Limited	-	-	25,00,00,000	100.00	(100.00)
0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares					
Shapoorji Pallonji & Company Private Limited	-	-	10,00,00,000	100.00	(100.00)

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 12.9. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31st March, 2024		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares		
Holding Company			
Goswami Infratech Private Limited	24,65,40,258	-	-
Subsidiaries of the holding company:			
Hermes Commerce Private Limited	40,54,970	-	-
Rennaisance Commerce Private Limited	40,24,619	-	-

(Previous Year)

Particulars	As at 31st March, 2023		
	Equity shares	0.01% Non cumulative and non profit participatory convertible preference shares	0.01% Fully and compulsorily convertible non-cumulative non participatory preference shares
	Number of shares		
Holding Company			
Shapoorji Pallonji & Company Private Limited	4,91,05,652	-	10,00,00,000
Subsidiaries of the holding company:			
Floreat Investments Private Limited	1,30,15,929	10,00,00,000	-

Note No 12.10.

For the period of Five years immediately preceding the date as at which the Balance Sheet is prepared:

i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash: Nil

ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil

iii) Aggregate number and class of shares bought back: Nil

Note No 12.11.

The word Company used in the Balance Sheet and Statement of Profit & Loss including the accompanying notes to accounts is defined as "Afcons Infrastructure Limited" including all of its branches and Jointly Controlled Operations.

Note No 12.12.

The Board of Directors at its meeting held on 14th June, 2024 has recommended to the members for approval, at the ensuing Annual General Meeting of the Company, declaration of equity dividend of 25% (i.e. ₹ 2.50/- per equity share of ₹ 10/- each) to the equity shareholders of the Company for the financial year 2023-2024. Goswami Infratech Private Limited, Floreat Investments Private Limited and Shapoorji Pallonji & Company Private Limited (erstwhile holders of Preference shares to whom equity shares have been allotted on 13th January, 2014 and 14th February, 2014 respectively) shall be paid proportionate equity dividend on the equity shares (allotted against the convertible preference shares) from the date of the allotment of equity shares until the end of the financial year ending 31st March, 2024.

Note No 13. Other equity (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital reserve	0.84	0.84
Capital redemption reserve	0.13	0.13
Securities premium account	191.51	10.28
Contingency reserve	8.00	8.00
General reserve	65.75	65.75
Foreign exchange translation reserve through other comprehensive income	98.97	91.38
Retained earnings	2,870.07	2,457.66
Reserve for equity instruments through other comprehensive income	19.94	19.68
Total	**3,255.21**	**2,653.72**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Movement in other equity: (₹ in Crores)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
(a)	Capital reserve		
	Opening balance	0.84	0.84
	Closing balance	0.84	0.84
(b)	Capital redemption reserve		
	Opening balance	0.13	0.13
	Closing balance	0.13	0.13
(c)	Securities premium account		
	Opening balance	10.28	10.28
	Add : Premium on shares issued during the year	181.23	-
	Closing balance	191.51	10.28
(d)	Contingencies reserve		
	Opening balance	8.00	8.00
	Closing balance	8.00	8.00
(e)	General reserve		
	Opening balance	65.75	65.75
	Closing balance	65.75	65.75
(f)	Foreign currency translation reserve		
	Opening balance	91.38	25.22
	Add : Effect of foreign exchange rate variations during the year	7.59	66.16
	Closing balance	98.97	91.38
(g)	Retained earnings		
	Opening balance	2,457.66	2,059.79
	Add: Profit for the year	449.76	410.87
	Add: Other adjustment (Minority interest of Afcons Construction Mideast LLC)	-	(10.85)
	Add: Other items classified to other comprehensive income	(8.51)	(2.10)
	Less: Appropriations		
	Dividend on equity shares (₹ 4.00 per share) (Previous year ₹ Nil)	(28.79)	-
	Dividend on preference shares (₹ 0.001 per share) (Previous year ₹ 0.001 per share)	(0.05)	(0.05)
	Closing balance	2,870.07	2,457.66
(h)	Reserve for equity instruments through other comprehensive income		
	Opening balance	19.68	20.08
	Add: Net fair value gain/(loss) on investments in equity instruments measured at FVTOCI	0.26	(0.40)
	Closing balance	19.94	19.68
	Total	**3,255.21**	**2,653.72**

Nature and purpose of each reserve within other equity

Capital reserve

The capital reserve is on account of acquisition of subsidiary companies.

Capital redemption Reserve

As per the provisions of Companies Act, capital redemption reserve is created out of the general reserve for the amount equivalent to the paid up capital of shares bought back by the Company.

Securities premium account

Where Company issued shares at a premium, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a “securities premium account” as per the provisions of applicable Companies Act. This reserve is utilized as per the provisions of the Companies Act.

Contingency reserve

The contingency reserve was created to protect against loss for amounts due from a partnership firm.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the group’s foreign operations from their functional currencies to the group’s presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Retained earning and dividend on equity shares:

This represent the surplus / (deficit) of the profit or loss. The amount that can be distributed by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amount reported above are not distributable in entirety.

Reserve for equity instrument measured through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 14. Non current borrowings (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Measured at amortised cost		
(a) Equipment loan (Secured) (Refer note 14.1.(i))		
From banks		
Rupee loan	586.88	479.52
(b) Other loans		
Foreign Currency Loan (Secured) (Refer note 14.1.(ii))		
Buyers Credit from Banks	10.81	116.96
Total	**597.69**	**596.48**

14.1 Details of terms of repayment of long-term borrowings from banks and security provided in respect thereof: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2024	As at 31st March, 2023
		Secured	Secured
14.1 (i) Equipment loan from banks			
Rupee loan:			
HSBC Bank		6.25	18.75
State Bank of India		40.00	80.00
SBM Bank		5.55	16.67
Indian Bank		100.43	-
Export Import Bank of India	Refer note 14.1 (iii)	229.65	259.18
Punjab National Bank		119.98	68.83
Bank of Baroda		56.22	36.09
Union Bank of India		28.80	-
Total - Equipment loan		**586.88**	**479.52**
(ii) Other Loans and Advances from banks - Buyer's Credit Foreign Currency Loans			
State Bank of India	Refer note 14.1 (iv)	10.81	116.96
Total - Other loans and advances		**10.81**	**116.96**
Total long-term borrowings from banks		**597.69**	**596.48**

14.1 (iii). Secured by first pari passu charge on plant & machinery. The rupee loan of HSBC Limited carry interest @ 9.75% per annum, State Bank of India carry interest @ 9.30% per annum, SBM Bank carry interest @ 10.15% per annum, Indian Bank Loan No. 1 carry interest @9.60%, Indian Bank Loan No. 2 carry interest @9.85% Export Import Bank of India Loan No. 1 carry interest @ 10.00% per annum, Export Import Bank of India Loan No. 2 carry interest @ 10.05% per annum, Punjab National Bank carry interest @ 9.65% per annum, Bank of Baroda carry interest in the range of 8.30% to 8.95% per annum and Union Bank of India carry interest in the range of 9.05% to 9.15%. The repayment schedule of the loans are as follows:

As at 31st March, 2024

Nature	Bank name	Loan amount (₹ in Crores)	Repayment schedule
Rupee Loan	HSBC Bank	6.25	Semi annual installment of ₹ 6.25 Crores upto 2025-26
	State Bank of India	40.00	Semi annual installment of ₹ 20.00 Crores upto 2025-26
	SBM Bank	5.55	Semi annual installment of ₹ 5.55 Crores upto 2025-26
	Indian Bank	100.43	Repayable in 20 Equal quarterly installment for both loans
	Export Import Bank of India	229.65	Each monthly installment of ₹ 3.70 Crores upto 2026-27 for Loan 1 and ₹ 3.03 Crores for Loan 2 upto 2029-30
	Punjab National Bank	119.98	Each Quarterly Installment of ₹ 10.00 Crores upto 2027-28
	Bank of Baroda	56.22	57 equal monthly installments (EMI Basis)
	Union Bank of India	28.80	72 equal monthly installments of ₹ 0.69 Crores

14.1 (iv): Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. Company's stock of construction material, stores, WIP, Book debt is further secured under IOM and first charge on movable plant & machinery of the company upto 50% of the fund based limits with other term lenders on pari passu basis and also by goods covered under letters of credit. The loans carry interest @ 4.73% per annum. The repayment schedule of the loans are as follows.

As at 31st March, 2024 (₹ in Crores)

Nature	Bank name	Loan amount (₹ in Crores)	Repayment schedule
Buyers Credit	State Bank of India	10.81	Repayment in 2025-26

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 15. Trade payables (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Trade payables				
(a) Total outstanding due to micro and small enterprises	198.45	23.21	375.93	51.95
(b) Total outstanding due to creditors other than micro and small enterprises	4,127.17	407.79	3,132.57	420.89
Total	**4,325.62**	**431.00**	**3,508.50**	**472.84**

Trade payables ageing schedule (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	59.44	105.45	24.30	15.51	15.09	**219.79**
(ii) Others	1,735.58	2,111.49	346.23	205.04	134.64	**4,532.98**
Disputed trade payables						
(i) Micro and small enterprises	-	-	0.01	0.81	1.05	**1.87**
(ii) Others	0.03	-	-	-	1.95	**1.98**

Previous Year (₹ in Crores)

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	171.70	196.35	27.36	7.90	23.90	**427.21**
(ii) Others	2,176.58	1,097.64	124.06	90.19	63.08	**3,551.55**
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	0.67	**0.67**
(ii) Others	-	-	-	-	1.91	**1.91**

Disclosures as required under the micro, small and medium enterprises development Act, 2006 (MSMED Act) (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period:		
Principal amount remaining unpaid	261.27	688.93
Interest due and unpaid interest	34.72	13.64
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	4.76	8.85
The amount of interest accrued and remaining unpaid at the end of accounting period;	4.33	8.05
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	43.81	30.54

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 16. Other financial liabilities (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
(a) Capital creditors				
(i) Total outstanding due to micro and small enterprises	0.46	-	5.43	-
(ii) Total outstanding due to creditors other than micro and small enterprises	29.20	-	95.29	-
(b) Employee benefit payables	96.27	-	102.07	-
(c) Unclaimed / unpaid dividends #	0.03	-	0.03	-
(d) Interest accrued on advance from customers	34.72	-	38.79	-
(e) Other payables				
(i) Trade / security deposits received	53.24	-	64.41	-
(ii) Amount received on invocation of bank guarantees	-	7.51	-	7.51
(iii) Distribution of profit payable to member of JV	-	0.01	-	0.01
(iv) Others (includes differential interest on EXIM Bank funded projects)	55.93	119.01	56.35	149.36
Total- Other payables	109.17	126.53	120.76	156.88
Total	**269.85**	**126.53**	**362.37**	**156.88**

The figures reflect the position as at year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due dates.

Note No 17. Contract liabilities (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Contract liabilities				
Amount due to customers	556.83	-	1,129.40	-
Advances from customers	2,441.33	1,451.29	1,885.88	1,524.03
Total	**2,998.16**	**1,451.29**	**3,015.28**	**1,524.03**

Note No 17.1 Other non-current and current liabilities (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Statutory remittances (VAT, GST, Service tax, Contributions to PF, Superannuation, ESIC, Withholding taxes, Labour welfare cess, etc.)	84.83	-	117.55	-
Other payables				
Advance against sale of scrap	1.52	-	2.54	-
Total	**86.35**	**-**	**120.09**	**-**

Note No 18. Provisions (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Provision for employee benefits *:				
Provision for leave encashment	57.67	-	47.96	-
Provision for gratuity	17.37	9.31	10.00	8.87
	75.04	9.31	57.96	8.87
Provision - Others:				
Provision for doubtful advance	75.00	-	75.00	-
Provision for foreseeable losses for onerous contracts (Refer note 18.1 below)	77.18	-	17.06	-
Total	**227.22**	**9.31**	**150.02**	**8.87**

* The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and gratuity.

Note No. 18.1 - Movement in the Provision for foreseeable losses for onerous contracts (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Opening Balance	17.06	-	14.02	-
Add: Additions made during the year	62.14	-	15.04	-
Less: Reversals made during the year	(2.01)	-	(12.03)	-
Add: Exchange differences	(0.01)	-	0.03	-
Closing Balance	**77.18**	**-**	**17.06**	**-**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 19. Current tax liabilities (net) (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for tax (net of advance tax ₹ 92.61 Crores) (As at 31st March, 2023 ₹ 169.37 Crores)	83.89	93.56
Total	**83.89**	**93.56**

Note No 20. Current borrowings (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Current maturities of long-term debts (Refer note 20.1 below)	240.59	192.64
(b) Working capital loans from banks		
Secured (Refer note 20.2 below)	1,237.55	717.60
(c) Short term Loans from Bank		
Foreign Currency Loan:		
Buyers Credit		
Secured (Refer Note 20.2 below)	180.23	43.95
(d) Cash credit facility from banks		
Secured (Refer note 20.2 below)	16.67	12.16
(e) Acceptances	182.28	-
Total	**1,857.32**	**966.35**

Note 20.1: Current maturities of long-term debts : (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Equipment loans from banks (Rupee Loan) (Secured) #	236.85	191.23
Interest accrued but not due on borrowings	3.74	1.41
Total	**240.59**	**192.64**

For nature of security and interest rate refer note no.14.1

Note 20.2: Details of security for the secured short-term borrowings: (₹ in Crores)

Particulars	Terms of security	As at 31st March, 2024	As at 31st March, 2023
Working capital demand loans (WCDL)			
From banks:			
State Bank of India	Refer note 20.3 below	300.00	200.00
IDBI Bank		30.00	30.00
Indian Bank		30.00	30.00
Export Import Bank of India		300.00	300.00
Bank of Baroda		110.00	110.00
Union Bank of India		14.95	-
Bank of India		-	30.00
UCO Bank		30.00	-
Punjab National Bank		72.00	17.00
DBS Bank		200.00	-
HSBC Bank		150.00	-
Yes Bank		0.60	0.60
		1,237.55	717.60
Short term Loans from Bank			
Foreign Currency Loan:			
Buyers Credit			
Axis Bank	Refer note 20.3 below	60.37	33.23
State Bank of India	Refer note 20.3 below	119.86	10.72
Cash credit facility and Book overdraft	Refer note 20.3 below	16.67	12.16

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 20.3:

(i) Security:

Secured by first charge by way of equitable mortgage on the immovable properties of the Company situated at Andheri, Mumbai on a pari passu basis. The Company's stock of construction material, stores, WIP, book debt is further secured under indenture of mortgage and first charge on movable plant & machinery of the Company upto 50% of the fund based limits with other term lenders on pari passu basis. Cash credit facility / working capital demand loan is further secured by the Company's proportionate share of current assets in all the joint ventures both present and future.

(ii) Interest:

Cash credit facility and working capital demand loan from banks carry interest ranging from 8.15% to 10.30% per annum (As at 31st March, 2023 interest ranging from 7.85% to 10.15% per annum).

Buyers Credit carry interest ranging from @ 4.63% to 6.30% per annum (As at 31st March, 2023 interest ranging from @ 2.02% to 6.85% per annum)

Note No 21. Current tax and deferred tax

(a) Income tax expense (₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax:		
in respect of current year	200.24	189.43
in respect of prior years	15.38	28.58
Deferred tax:		
In respect of current year	7.24	(29.79)
Total income tax expense recognised in the consolidated statement of profit and loss account	**222.86**	**188.22**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate: (₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Amount	Tax Rate	Amount	Tax Rate
Profit before tax	**672.62**		**599.08**	
Income tax using the Company's domestic tax rate#	169.29	25.17%	150.78	25.17%
Effect of tax rates in foreign jurisdictions				
Non-taxable income	(4.06)	-0.60%	(1.23)	-0.21%
Loss in respect of which deferred tax assets not recognised due to uncertainty	6.66	0.99%	12.96	2.16%
Disallowable expenses	5.50	0.82%	1.89	0.32%
Effect of tax rates differences of entities operating in other jurisdictions having different tax rates	23.44	3.48%	10.29	1.72%
Charge/(credit) in respect of previous years	15.38	2.29%	28.58	4.77%
Charge/(credit) in respect deferred tax liability on undistributed earnings	-	0.00%	(25.17)	-4.20%
Others	6.65	0.99%	10.12	1.69%
Income tax expenses recognised in Statement of Profit and Loss	**222.86**	**33.13%**	**188.22**	**31.42%**

The tax rate used for the financial years 2023-24 reconciliations above is the corporate tax rate of 25.17% payable by the corporate entities in India on taxable profits under the Indian tax law.

(b) Movement of deferred tax (₹ in Crores)

Particulars	For the year ended 31st March, 2024				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	31.77	(15.37)	-	-	16.40
Right-of-use assets	12.26	4.83	-	-	17.09
Arbitration awards	145.14	67.98	-	-	213.12
	189.17	57.44	-	-	246.61
Tax effect of items constituting deferred tax assets					
Employee benefits	(16.82)	(1.55)	(2.86)	-	(21.23)
Adjustment of Ind AS 116	(12.44)	(4.73)	-	-	(17.17)
Expected credit loss	(22.04)	(6.91)	-	-	(28.95)
Provisions	(35.84)	(15.13)	-	-	(50.97)
Others (Disallowances u/s 40B(h))	(2.74)	(21.88)	-	-	(24.62)
	(89.88)	(50.20)	(2.86)	-	(142.94)
Net tax liabilities	**99.29**	**7.24**	**(2.86)**	**-**	**103.67**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

(₹ in Crores)

Particulars	For the year ended 31st March, 2023				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Others	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	56.48	(24.71)	-	-	31.77
Right-of-use assets	16.49	(4.23)	-	-	12.26
Unremitted earnings of subsidiaries	25.17	(25.17)	-	-	-
Arbitration awards	123.42	21.72	-	-	145.14
	221.56	(32.39)	-	-	189.17
Tax effect of items constituting deferred tax assets					
Employee benefits	(18.51)	2.39	(0.70)	-	(16.82)
Adjustment of Ind AS 116	(17.12)	4.68	-	-	(12.44)
Expected credit loss	(16.26)	(5.78)	-	-	(22.04)
Provisions	(39.89)	4.05	-	-	(35.84)
Others (Disallowances u/s 40a)	-	(2.74)	-	-	(2.74)
Minimum alternate tax credit	(0.03)	-	-	0.03	-
	(91.81)	2.60	(0.70)	0.03	(89.88)
Net tax liabilities	**129.75**	**(29.79)**	**(0.70)**	**0.03**	**99.29**

Note No 22. Revenue from operations

(₹ in Crores)

	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a)	Revenue from sale of goods (Construction Materials)	116.83	55.90
(b)	Construction contract revenue (Refer note 22.1 below)	13,077.54	12,483.42
(c)	Other operating income (Refer note 22.2 below)	73.13	98.06
	Total	**13,267.50**	**12,637.38**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
22.1	**Construction contract revenue comprises:**		
	Construction revenue	13,077.54	12,483.42
	Total	**13,077.54**	**12,483.42**
22.2	**Other operating income comprises:**		
	Sale of scrap	68.15	93.67
	Others	4.98	4.39
	Total	**73.13**	**98.06**

Note No 23. Other income

(₹ in Crores)

	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a)	Interest income on financial assets at amortised cost (Refer note 23.1 below)	133.87	43.42
(b)	Other non operating income (Refer note 23.2 below)	245.51	163.29
	Total	**379.38**	**206.71**

(₹ in Crores)

	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
23.1	**Interest income comprises:**		
	Interest on arbitration awards	117.36	34.61
	Other Interest (includes interest on bank deposits,etc.)	16.51	8.81
	Total	**133.87**	**43.42**
23.2	**Other non operating income comprises:**		
	Provision for doubtful debtors / advances no longer required written back	-	19.12
	Creditors / Excess provision written back	17.97	4.44
	Insurance claim received	9.65	17.45
	Provision for projected loss on contract written back	2.01	12.03
	Net gain on foreign currency transactions and translation	148.23	68.48
	Miscellaneous income	67.65	41.77
	Total	**245.51**	**163.29**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 24. Cost of material consumed

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Cost of construction materials consumed (Including bought out Items)	4,012.48	3,851.71

Note No 24.1. Cost of construction

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Stores and spare consumed	814.01	700.52
Subcontracting expenses	2,438.04	2,069.34
Equipments hire / rent charges	673.98	649.03
Site installation	251.36	451.50
Technical consultancy	222.61	220.67
Power and fuel consumed	580.23	628.18
Freight and handling charges	313.74	481.41
Total	**5,293.97**	**5,200.65**

Note No 25. Employee benefits expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages and bonus	1,136.02	1,079.18
Contributions to provident and other funds:		
Contribution to provident fund	37.24	32.73
Gratuity Expense	9.68	8.83
Leave encashment Expense	16.08	12.41
Other Post employment benefits	40.22	35.21
Staff welfare expenses	144.18	129.87
Total	**1,383.42**	**1,298.23**

Note No 26. Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest On:		
Bank overdrafts and loans	239.55	186.62
Advance from clients	62.74	60.34
Lease liabilities	4.43	5.12
Others	109.27	51.06
	415.99	303.14
Other borrowing costs:		
Bank guarantee commission including bank charges	146.94	132.20
Others	14.33	11.32
Total	**577.26**	**446.66**

Note No 27. Depreciation and amortisation expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on tangible assets	454.33	429.81
Amortisation on intangible assets	0.04	0.04
Depreciation on right-of-use assets	40.16	41.73
Depreciation and amortisation as per Statement of Profit and Loss	**494.53**	**471.58**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 28. Other expenses (₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Water and electricity	22.98	18.42
Rent / Hire charges	77.12	58.26
Repairs and maintenance - Machinery	47.73	37.00
Repairs and maintenance - Others	33.41	38.33
Insurance charges	169.75	146.09
Rates and taxes	96.72	88.66
Communication	14.42	12.86
Travelling and conveyance	148.85	132.47
Security charges	99.20	82.62
Donations and contributions	1.01	6.43
Expenditure on corporate social responsibility (CSR) (Refer note 33)	0.17	0.07
Legal and professional charges	292.62	190.09
Payment to auditors (Refer Note 28.1 below)	2.63	1.56
Advances written off	1.07	1.77
Bad / irrecoverable debtors / unbilled revenue written off	3.08	7.66
Expected credit loss on contract assets and trade receivables	27.47	22.93
Provision for foreseeable losses for onerous contracts	62.14	15.04
Loss on sale of fixed assets (net)	12.03	22.03
Miscellaneous expenses	100.20	93.89
Total	**1,212.60**	**976.18**

Note 28.1: Details of payment to auditors (₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Auditors remuneration comprises *		
(a) To Joint Statutory Auditors		
For statutory audit (including interim audits)	2.40	1.11
For taxation matters	0.10	0.08
For other services (GST, certification work)	0.10	0.35
	2.60	**1.54**
(b) To cost auditors	0.03	0.02
	0.03	**0.02**
Total (a + b)	**2.63**	**1.56**

(* Including payments made to network firms)

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 29: Contingent liabilities and commitments (to the extent not provided for) (₹ in Crores)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
(i)	**Contingent liabilities**		
(a)	Claims against the Group not acknowledged as debts (excluding claims where amounts are not ascertainable)		
	i) Differences with sub-contractors / vendors in regard to rates and quantity of materials.	444.76	386.85
	ii) Royalty Claims*	483.64	483.64
	iii) Fine and restoration fees levied by Environmental Protection Agency, Government of Maldives for environmental damages	37.54	-
(b)	Labour guarantee issued on behalf of Subsidiary	0.03	0.03
(c)	Claims against the joint operations not acknowledged as debts	148.14	147.45
(d)	Sales tax and entry tax		
	Represents demands raised by sales tax authorities in matters of: a) disallowance of labour and service charges, consumables etc. b) Tax on AS7 turnover c) Entry tax and, d) Interest and penalty etc. for which appeal is pending before various appellate authorities. The Group is confident that the cases will be successfully contested.	17.08	18.54
(e)	VAT		
	Represents partial disallowance by West Bengal VAT Authorities for the year 2016-17. In matters of disallowance of subcontractor charges, labour charges, PF contribution, architectural charges, cost of consumables, cost of establishment, etc. for which appeal is pending before higher appellate authority. The entity is confident that the case will be successfully contested.	0.46	0.46
(f)	Service tax		
	Represents demand confirmed by the CESTAT / Asst. commissioner of service tax for a) disallowance of cenvat credit, since abatement claimed by the Group, b) disallowance of general exemption of private transport terminals and c) taxability under "Commercial or Industrial Construction Service", etc. The Group has appealed / in the process of appeal against the said order with commissioner of service tax Mumbai,CESTAT / High court and is confident that the cases will be successfully contested. The Group has received the stay order for some case from the CESTAT. Amount disclosed does not include penalties in certain matters for which amount is unascertainable.	64.51	66.78
(g)	GST		
	Represents demand confirmed by GST Authorities for various dispute in relation to differential tax rate of GST for works contract, GST on turnover for adjustment of advance, on unbilled revenue, demand for goods confiscated, ITC not paid by the supplier, etc. and Interest and penalty for which appeal is pending before various GST authorities. The Company is confident that the cases will be successfully contested.	98.57	6.22
(h)	Income tax		
	Demand raised by income tax department on account of disallowance of expenses and addition made in respect of receipt of income. The Group has obtained stay order from tax department. The Group is confident that the case will be successfully contested before concerned appellate authorities.	43.49	62.55
	Note:- In respect of items mentioned under paragraphs (a), (c), (d), (e),(f),(g) and (h) above, till the matters are finally decided, the financial effect cannot be ascertained and future cashflows in respect of above matters are determinable only on receipts of judgements / decisions pending at various forums / authorities.		
(ii)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	83.07	97.89
	Other Commitments		
	The Company has given financial support letter for continuing operation to subsidiary - Afcons Construction Mideast LLC.	-	-

Notes:

* The Group has received a demand and a show cause notice amounting to ₹ 239.00 Crores and ₹ 244.64 Crores respectively with respect to liability on account of royalty payable on Murrum used in one of the projects. Subsequent to the show cause notice, the Group has obtained a stay order on the same. Further, based on legal opinion, the Group expects that the claim is highly unlikely to materialise.

The Company has implemented the decision given in the Supreme Court Judgement in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated 20th March, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 w.e.f. 01st April, 2019. Basis the assessment of the management, which is supported by legal advice, the aforesaid matter is not likely to have significant impact in respect of earlier periods.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 30. Employee benefit plans

The Group has recognised following amounts in the statement of profit and loss: (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Superannuation Fund	27.06	25.41
Provident Fund	37.24	32.73
Gratuity	9.68	8.83
Leave encashment expenses	16.08	12.41
Total	**90.06**	**79.38**

a. Defined contribution plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner and the superannuation fund is administered by the Life Insurance Corporation (LIC). Under the schemes, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The total expense recognised in statement of profit or loss of ₹ 64.30 Crores (for the year ended 31st March, 2023: ₹ 58.14 Crores) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

b. Defined benefit plans

(i) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 4 years and 240 days are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service without any ceiling limit as given under Payment of Gratuity Act, 1972.

Whereas on death of an employee the amount of gratuity payable is amount equivalent to one month salary, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Group or as per payment of the Gratuity Act, whichever is higher.

The gratuity plan of the Group is funded and the Group accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using Projected Unit Credit Method.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31st March, 2024 by an actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

c. Details of defined benefit plan - Gratuity

The principle assumptions used for the purpose of actuarial valuation (considered for the Group)

Particulars	31st March, 2024	31st March, 2023
Expected Return on Plan Assets	7.23%	7.50%
Rate of Discounting	7.23%	7.50%
Rate of Salary Increase	8.00%	8.00%

Rate of Employee Turnover	**31st March, 2024**	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
	31st March, 2023	For service 4 years and below 8.00% p.a. For service 5 years and above 4.00% p.a.
Mortality Rate During Employment*	**31st March, 2024**	Indian Assured Lives Mortality 2012-14 (Urban)
	31st March, 2023	Indian Assured Lives Mortality 2012-14 (Urban)

*Based on India's standard mortality table with modification to reflect expected changes in mortality.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(₹ in Crores)

	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(i)	**Components of defined benefit cost**		
	Service cost:		
	Current service cost	8.26	7.45
	Interest cost on benefit obligation (Net)	1.42	1.38
	Total defined benefit costs recognised in consolidated statement of profit or loss	**9.68**	**8.83**
	Actuarial (gains) / losses arising from changes in financial assumptions	1.94	(1.61)
	Actuarial losses arising from experience adjustments	9.43	4.41
	Total defined benefit costs recognised in OCI	**11.37**	**2.80**
	Total defined benefit costs recognised in consolidated statement of profit or loss and OCI	**21.05**	**11.63**
(ii)	**Net (liabilities) recognised in the Balance Sheet**		
	Present value of defined benefit obligation	(90.53)	(72.71)
	Fair value of plan asset	63.85	53.84
	Net liabilities recognised in the Balance Sheet	**(26.68)**	**(18.87)**
(iii)	**Movements in the present value of the defined benefit obligation are as follows.**		
	Opening defined benefit obligation	72.71	63.69
	Current service cost	8.26	7.45
	Interest cost	5.45	4.61
	Remeasurement (gains) / losses:		
	Actuarial (gains) / losses arising from changes in financial assumptions	1.94	(1.61)
	Actuarial losses arising from experience adjustments	9.43	4.41
	Benefits paid	(7.26)	(5.84)
	Closing defined benefit obligation	**90.53**	**72.71**
(iv)	**Movements in the fair value of plan assets are as follows.**		
	Opening fair value of plan assets	53.84	44.68
	Interest income	4.04	3.23
	Remeasurement gain / (loss):		
	Return on plan assets (excluding interest expense)	-	-
	Contributions from the employer	13.23	11.77
	Benefits paid	(7.26)	(5.84)
	Closing fair value of plan assets	**63.85**	**53.84**

The Group pays premium of ₹ 13.23 Crores (Previous year ₹ 11.77 Crores) to the group gratuity scheme of LIC and the fund is managed by LIC.

(v) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 6.82 Crores (increase by ₹ 7.92 Crores) (as at 31st March, 2023: decrease by ₹ 5.43 Crores (increase by ₹ 6.30 Crores)).
2) If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 7.78 Crores (decrease by ₹ 6.83 Crores) (as at 31st March, 2023: increase by ₹ 6.21 Crores (decrease by ₹ 5.45 Crores)).
3) If the employee turnover increases (decreases) by one year, the defined benefit obligation would decrease by ₹ 0.67 Crores (increase by ₹ 0.73 Crores) (as at 31st March, 2023: decrease by ₹ 0.41 Crores (increase by ₹ 0.45 Crores)).

(vi) Sensitivity analysis method

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at 31st March, 2024 is 12 years (as at 31st March, 2023: 12 years).

The Group expects to make a contribution of ₹ 12.00 Crores (as at 31st March, 2023: ₹ 10.00 Crores) to the defined benefit plans during the next financial year.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

(vii) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting (₹ in Crores)

Particulars	31st March, 2024	31st March, 2023
1st Following Year	8.20	6.89
2nd Following Year	6.56	4.23
3rd Following Year	7.83	6.91
4th Following Year	7.78	6.51
5th Following Year	9.88	6.45
Sum of Years 6 To 10	34.62	31.33
Sum of Years 11 and above	119.39	98.48

d. Compensated Absences

The liability for Compensated absences (non-funded) as at year end is ₹ 57.67 Crores (as at 31st March, 2023 ₹ 47.96 Crores) covers the Group's liability for sick and privilege leave and is presented as current liabilities, since the Group does not have an unconditional right to defer the settlement of any of these obligations.

The Group makes provision for compensated absences based on an actuarial valuation carried out at the end of the year using the Projected Unit Credit Method.

Note No 31. Earnings per share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
	₹	₹
Basic earnings per share	13.20	12.06
Diluted earnings per share	13.20	12.06

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit for the year attributable to shareholders of the Group - earnings used in calculation of basic earning per share	449.76	410.86
Dividends paid on convertible non-participating preference shares	(0.05)	(0.05)
Earnings used in the calculation of basic earnings per share	449.71	410.81
Earnings used in the calculation of basic earnings per share	**449.71**	**410.81**

The weighted average number of equity shares for the purpose of basic earnings per share is as follows:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
	Number	**Number**
Weighted average number of shares used in calculation of basic earnings per share	34,07,38,269	7,19,70,238
Shares deemed to be issued for no consideration in respect of:		
- Convertible preference shares	-	26,87,68,031
Weighted average number of shares used in calculation of basic earnings per share	**34,07,38,269**	**34,07,38,269**

Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

(₹ in Crores)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit for the year attributable to shareholders of the Group - earnings used in calculation of basic earning per share	449.76	410.86
Earnings used in the calculation of diluted earnings per share	449.76	410.86
Earnings used in the calculation of diluted earnings per share	**449.76**	**410.86**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
	Number	**Number**
Weighted average number of shares used in calculation of basic earnings per share	34,07,38,269	34,07,38,269
Weighted average number of shares used in calculation of diluted earnings per share	**34,07,38,269**	**34,07,38,269**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 32: Segment information :

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Segment Profit before tax (before exceptional items)		
India	892.43	615.52
Other Countries	19.74	170.18
	912.17	**785.70**
Add: Unallocated income	-	-
Less: Unallocated expenses	239.55	186.62
Profit before tax	**672.62**	**599.08**

Revenue from external customers	As at 31st March, 2024	As at 31st March, 2023
India	9,965.30	8,603.73
Other Countries	3,302.20	4,033.65
Total	**13,267.50**	**12,637.38**

Segment Assets	As at 31st March, 2024	As at 31st March, 2023
India	13,521.07	12,288.79
Other Countries	4,797.54	4,367.68
	18,318.61	**16,656.47**
Intersegment eliminations	(2,139.38)	(2,384.53)
Unallocated		
Investments	0.77	0.50
Non-current tax assets	53.64	28.80
Total assets as per balance sheet	**16,233.64**	**14,301.24**

Non-current assets	As at 31st March, 2024	As at 31st March, 2023
India	2,581.57	2,504.44
Other Countries	110.11	110.72
Total non-current assets	**2,691.68**	**2,615.16**

Segment Liabilities	As at 31st March, 2024	As at 31st March, 2023
India	7,831.01	7,148.45
Other Countries	3,060.16	3,177.94
	10,891.17	**10,326.39**
Intersegment eliminations	(897.61)	(958.08)
Unallocated		
Current Borrowings	1,857.32	966.35
Non-Current Borrowings	597.69	596.48
Deferred Tax Liability	103.67	99.29
Current Tax Liability	83.89	93.56
Total liabilities as per balance sheet	**12,636.13**	**11,123.99**

Non-current liabilities	As at 31st March, 2024	As at 31st March, 2023
India	1,633.29	1,361.91
Other Countries	419.99	816.39
Total non-current liabilities	**2,053.28**	**2,178.30**

Information about major customers:

No customer, individually, contributed 10% or more to the Group's revenue for the year ended 31st March, 2024. (Previous year ₹1,309.53 Crores arising from a customer in India (Viz National Capital Region Transport Corporation)).

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No 33. Corporate social responsibility:

Disclosure of Corporate Social Responsibility (CSR) expenditure in line with the requirement with Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

As per Section 135 of the Companies Act 2013,a CSR Committee has been formed by the Company,The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art, culture, healthcare, destitute care and rehabilitation and rural development project.

(₹ in Crores)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
(i)	Gross amount required to be spent by the Group during the year:	1.66	-
(ii)	CSR expenditure incurred during the year		
	(a) Construction/acquisition of any asset	-	-
	(b) On purposes other than (a) above	0.17	0.07
(iii)	Related party transactions as per Ind AS 24 in relation to CSR expenditure	-	-
(iv)	Nature of CSR activities:		
	(a) Disaster Management, including relief, rehabilitation and reconstruction activities.	-	-
	(b) Promoting education, art, culture	0.09	
	(c) Promoting health care including preventive health care,etc.	0.08	0.07

CSR amount required to be spent by the Group as per section 135 of The Companies Act, 2013 read with Schedule VII thereof during the year i.e. 2% of the last 3 years preceding net profits which comes to ₹ 1.66 Crores. However, same was eligible for set-off against the accumulated credit of excess voluntary CSR spending of ₹ 2.12 Crores in the preceding 3 financial years

Note 34: Related party disclosures

(a)	Details of related parties:	Nature of Relationship
	Shapoorji Pallonji and Company Private Limited (SPCPL)	Parent Company till 12th January, 2024 Entity having significant influence w.e.f. 13th January, 2024
	Goswami Infratech Private Limited	Parent Company w.e.f 13th January, 2024
	Hazarat & Company Private Limited	Subsidiaries of the Company
	Afcons Corrosion Protection Private Limited	
	Afcons Hydrocarbons Engineering Private Limited	
	Afcons Construction Mideast LLC	
	Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	
	Afcons Gulf International Project Services FZE	
	Afcons Mauritius Infrastructure Limited (AMIL)	
	Afcons Overseas Singapore Pte Ltd.	
	Afcons Infra Projects Kazakhstan LLP	
	Afcons Saudi Constructions LLC (Wound - up on 10th August, 2023)	
	Afcons Overseas Project Gabon SARL	
	Afcons Oil & Gas Services Private Limited	
	Floreat Investments Services Limited	Fellow Subsidiary(s) till 12th January, 2024 Susbsidiaries of entity having significant influence over the Company w.e.f. 13th January, 2024 (Where there are transactions)
	ESP Port Solutions Private Limited	
	Sterling & Wilson Private Limited	
	Shapoorji Pallonji Infrastructure Capital Co Private Limited	
	Shapoorji Pallonji Pandoh Takoli Highway Private Limited	
	Simar Port Private Limited	
	SP Oil and Gas Malaysia SDN BHD	
	Forvol International Services Limited	
	Shapoorji Pallonji Energy Private Limited (Formerly known as "Shapoorji Pallonji Oil and Gas Private Limited") ("SPEPL")	
	Shapoorji Pallonji Finance Private Limited	
	Sharus Steel Products Private Limited	
	Shapoorji & Pallonji Qatar, WLL	
	Renaissance Commerce Private Limited	Fellow Subsidiary(s) w.e.f. 13th January, 2024 (Where there are transactions)
	Hermes Commerce Private Limited	

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

(a)	Details of related parties:	Nature of Relationship
	Transtonnelstroy Afcons Joint Venture	Jointly Controlled Operations
	Dahej Standby Jetty Project Undertaking	
	Afcons Gunanusa Joint Venture	
	Afcons Pauling Joint Venture	
	Strabag AG Afcons Joint Venture	
	Ircon Afcons Joint Venture	
	Afcons Sener LNG Construction Projects Private Limited	
	Afcons Sibmost Joint Venture	
	Afcons Vijeta PES Joint Venture	
	Afcons SMC Joint Venture	
	Afcons Vijeta Joint Venture	
	Afcons JAL Joint Venture	
	Afcons KPTL Joint Venture	
	Afcons Infrastructure Limited & Vijeta Projects And Infrastructures Limited JV	
	Afcons Vijeta Joint Venture, Zimbabwe	
	Afcons Hindustan Joint Venture (w.e.f. 14.06.2022)	
	Vigil Juris	Entity controlled / Jointly controlled by members of the key management personnel till 25th March, 2024
	Mr. Shapoorji P. Mistry – Chairman	Key Management Personnel
	Mr. K. Subramanian – Executive Vice Chairman	
	Mr. S. Paramasivan – Managing Director	
	Mr. Giridhar Rajagopalan - Deputy Managing Director	
	Mr. Akhil Kumar Gupta - Executive Director (Upto 30th June, 2022)	
	Mr. Pallon S.Mistry - Non-Executive Director (Upto 12th March, 2024)	
	Mr. Umesh N.Khanna - Non-Executive Director	
	Ms. Roshen M.Nentin - Non-Executive Director (Upto 12th March, 2024)	
	Mr. Nawshir D.Khurody - Independent Director (Upto 26th September, 2022)	
	Mr. Ramunni Menon Premkumar - Independent Director (Upto 26th September, 2022)	
	Mr. Pradip N.Kapadia - Independent Director (Upto 25th.March, 2024)	
	Mr. David P.Rasquinha - Independent Director (Upto 24th March, 2024)	
	Mr. Sitaram Janardan Kunte - Independent Director (w.e.f. 12th March, 2024)	
	Mr. Cherag S.Balsara - Independent Director (w.e.f. 24th March, 2024)	
	Mr. Atul Sobti - Independent Director (w.e.f. 24th March, 2024)	
	Ms. Rukhshana Jina Mistry - Independent Director (w.e.f. 12th March, 2024)	
	Mr. Anurag Kumar Sachan - Independent Director (w.e.f. 12th March, 2024)	

CONSOLIDATED FINANCIAL STATEMENT OF AFCONS INFRASTRUCTURE LIMITED AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (AFCONS GROUP)

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 34: Related party disclosures (Continued)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Managerial Remuneration paid														
a) Short Term Employee Benefit														
S.Paramasivan									4.96	4.27			**4.96**	4.27
K.Subramanian									5.44	4.74			**5.44**	4.74
Giridhar Rajagopalan									3.02	2.55			**3.02**	2.55
Akhil Kumar Gupta										1.19			**-**	1.19
b) Post Employment Benefits														
S.Paramasivan									0.85	0.75			**0.85**	0.75
K.Subramanian									0.93	0.81			**0.93**	0.81
Giridhar Rajagopalan									0.28	0.24			**0.28**	0.24
Akhil Kumar Gupta									-	-			**-**	-
c) Other Long Term Benefits														
S.Paramasivan									0.40	0.37			**0.40**	0.37
K.Subramanian									0.46	0.45			**0.46**	0.45
Giridhar Rajagopalan									0.18	0.18			**0.18**	0.18
Akhil Kumar Gupta									-	-			**-**	-
Sitting Fees paid														
Shapoorji P. Mistry									0.07	0.04			**0.07**	0.04
Pallon S.Mistry									0.06	-			**0.06**	-
Umesh N.Khanna									0.21	-			**0.21**	-
Roshen M.Nentin									0.06	-			**0.06**	-
Nawshir D.Khurody									-	0.14			**-**	0.14
Ramunni Menon Premkumar									-	0.13			**-**	0.13
Pradip N.Kapadia									0.25	0.26			**0.25**	0.26
David P.Rasquinha									0.17	0.15			**0.17**	0.15
Sitaram Janardan Kunte									0.04	-			**0.04**	-
Cherag S.Balsara									0.01	-			**0.01**	-
Atul Sobti									0.01	-			**0.01**	-
Rukhshana Jina Mistry									0.03	-			**0.03**	-
Anurag Kumar Sachan									0.04	-			**0.04**	-
Dividend on Preference Shares														
Floreat Investments Private Limited				0.01	0.01								**0.01**	0.01
Shapoorji Pallonji & Co. Private Limited.	0.01	0.01											**0.01**	0.01
Interim Dividend on Equity Shares														
Shapoorji Pallonji & Co. Private Limited.	19.64	-											**19.64**	-
Floreat Investments Private Limited				5.21	-								**5.21**	-
Hermes Commerce Private Limited				-	-								**-**	-
Renaissance Commerce Private Limited.				-	-								**-**	-
K.Subramanian									0.02	-			**0.02**	-
S.Paramasivan									0.01	-			**0.01**	-
Giridhar Rajagopalan									0.00	-			**0.00**	-
Interest Income														
Afcons Sener LNG Construction Projects Private Limited.							0.44	0.38					**0.44**	0.38
S P Engineering Service Pte Limited				2.56	2.24								**2.56**	2.24
Income from Services charges														
Strabag-AG Afcons Joint Venture							-	0.34					**-**	0.34
Other Income													**-**	-
Transtonnelstroy-Afcons Joint Venture							0.06	0.02					**0.06**	0.02
Strabag-AG Afcons Joint Venture							0.51	0.86					**0.51**	0.86
Shapoorji Pallonji & Co. Private Limited.	-	-											**-**	-
Simar Port Private Limited				-	-								**-**	-
ESP Port Solutions Private Limited.				-	0.24								**-**	0.24
Sterling & Wilson Private Limited				0.01	0.06								**0.01**	0.06
Afcons - KPTL Joint Venture							0.22						**0.22**	-

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 34: Related party disclosures (Continued)

b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Subcontract Income														
Transtonnelstroy-Afcons Joint Venture							0.03	0.04					**0.03**	0.04
Shapoorji Pallonji Pandoh Takoli Highway Private Limited				165.97	365.01	196.29							**362.26**	365.01
Shapoorji Pallonji Infrastructure Capital Co Private Limited				34.64	38.39	110.08							**144.72**	38.39
Simar Port Private Limited				13.11	9.04	22.12							**35.23**	9.04
Income from Equipment Hire														
ESP Port Solutions Private Limited.				-	0.60								**-**	0.60
Simar Port Private Limited				2.14	0.14	0.03							**2.17**	0.14
Distribution of Profit / (Loss) from Joint Ventures														
Strabag-AG Afcons Joint Venture							-	20.22					**-**	20.22
Sale of Spares/Materials/Assets														
Transtonnelstroy-Afcons Joint Venture							0.04	0.02					**0.04**	0.02
Simar Port Private Limited				-	2.57								**-**	2.57
Afcons - KPTL Joint Venture							0.04	-					**0.04**	-
Advance Given														
Transtonnelstroy-Afcons Joint Venture							0.57	0.68					**0.57**	0.68
Strabag-AG Afcons Joint Venture							1.80	-					**1.80**	-
Afcons Sener LNG Construction Projects Private Limited.							0.64	0.61					**0.64**	0.61
Afcons - KPTL Joint Venture							5.32	10.32					**5.32**	10.32
Shapoorji Pallonji Finance Private Limited				25.00	-								**25.00**	-
S P Engineering Service Pte Limited				2.56	2.24								**2.56**	2.24
Advance Received back														
Transtonnelstroy-Afcons Joint Venture							(0.67)	(1.66)					**(0.67)**	(1.66)
Afcons Sener LNG Construction Projects Private Limited.							(0.17)	(0.23)					**(0.17)**	(0.23)
Afcons - KPTL Joint Venture							(2.21)	(15.99)					**(2.21)**	(15.99)
Shapoorji Pallonji & Co. Private Limited.	(2.24)	-											**(2.24)**	-
Shapoorji Pallonji Finance Private Limited				(50.00)									**(50.00)**	-
Acceptances-Vendor Finance														
Shapoorji Pallonji Finance Private Limited				(25.00)	-								**(25.00)**	-
Service Charges paid														
Simar Port Private Limited				-	0.08								**-**	0.08
SP Oil and Gas Malaysia SDN BHD				10.58	0.14	10.21							**20.79**	0.14
Interest Expenses														
Shapoorji Pallonji Finance Private Limited				2.22	-								**2.22**	-
Rent Expense														
Sharus Steel Products Private Limited				0.20	-	0.30							**0.50**	-
Legal & Professional Fees														
Shapoorji Pallonji & Co. Private Limited. (Strategic Support Services)	-	39.83											**-**	39.83
Shapoorji Pallonji & Co. Private Limited. (Consultancy Services)	1.31	0.40	0.47										**1.78**	0.40
Vigil Juris											0.04	0.05	**0.04**	0.05
Shapoorji Pallonji Finance Private Limited				0.25	-								**0.25**	-
Shapoorji Pallonji Energy Private Limited				0.08	-								**0.08**	-
Subcontract Expenses														
Shapoorji Pallonji Qatar WLL				-	-	89.50							**89.50**	-
Travelling Expenses														
Forvol International Service Limited				15.50	17.12	4.69							**20.19**	17.12

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note No. 34: Related party disclosures (Continued)

(b) Details of transactions with related party (₹ in Crores)

Nature of Transaction	Holding Company(s)		Entity having significant influence	Fellow subsidiary(s)		Subsidiaries of the entity having significant influence over the company	Jointly Controlled Operations		Key Management Personnel		Entity controlled / Jointly controlled by members of the Key Management Personnel		Total	
	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	From Jan 13th to Mar 2024	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23	Apr-Mar 24	PY 22-23
Purchase of Spares/Materials/Assets														
Transtonnelstroy-Afcons Joint Venture							0.02	0.08					**0.02**	0.08
Afcons - KPTL Joint Venture							0.28	0.01					**0.28**	0.01
Sundry Debtors write off														
Shapoorji Pallonji & Co. Private Limited.	-	5.47											**-**	5.47
Details of Related Party Outstanding Balances as on 31st March, 2024														
Outstanding Amount Loans & Advances Dr/ (Cr)														
Shapoorji Pallonji & Co. Private Limited.	-	271.79	269.55										**269.55**	271.79
Strabag-AG Afcons Joint Venture							1.80	-					**1.80**	-
Transtonnelstroy-Afcons Joint Venture							4.80	4.91					**4.80**	4.91
Afcons Sener LNG Construction Projects Private Limited.							3.64	3.17					**3.64**	3.17
Afcons - KPTL Joint Venture							8.99	5.84					**8.99**	5.84
S P Engineering Service Pte Limited				-	39.44	42.60							**42.60**	39.44
Shapoorji Pallonji Finance Private Limited				(25.00)	-								**(25.00)**	-
Sharus Steel Products Private Limited				0.30	-								**0.30**	-
Outstanding Amount - Debtors														
Transtonnelstroy-Afcons Joint Venture							3.96	3.98					**3.96**	3.98
Shapoorji Pallonji & Co. Private Limited.	-	0.26	0.26										**0.26**	0.26
Strabag-AG Afcons Joint Venture							2.13	1.53					**2.13**	1.53
Afcons - KPTL Joint Venture							0.26	-					**0.26**	-
Shapoorji Pallonji Infrastructure Capital Co Private Limited				-	135.80	205.07							**205.07**	135.80
Shapoorji Pallonji Pandoh Takoli Highway Private Limited				-	154.05	324.36							**324.36**	154.05
Shapoorji Pallonji Qatar WLL				-	-	9.71							**9.71**	-
Simar Port Private Limited				-	0.00	2.39							**2.39**	0.00
ESP Port Solutions Private Limited.				-	10.09	10.09							**10.09**	10.09
Outstanding Amount - Creditors														
Forvol International Service Limited				-	0.41	1.20							**1.20**	0.41
Shapoorji Pallonji Infrastructure Capital Co Private Limited				-	63.45	52.29							**52.29**	63.45
Shapoorji Pallonji Pandoh Takoli Highway Private Limited				-	13.53	2.55							**2.55**	13.53
Shapoorji Pallonji Qatar WLL				-	(36.42)	-							**-**	(36.42)
Simar Port Private Limited				-	13.95	2.66							**2.66**	13.95
SP Oil and Gas Malaysia SDN BHD				-	0.06	1.21							**1.21**	0.06
Shapoorji Pallonji & Co. Private Limited.	-	72.99	69.29										**69.29**	72.99
Sharus Steel Products Private Limited				-	-	0.09							**0.09**	-
Vigil Juris											0.00	0.00	**0.00**	0.00
Transtonnelstroy-Afcons Joint Venture							0.00	0.15					**0.00**	0.15
Strabag-AG Afcons Joint Venture							1.05	1.03					**1.05**	1.03

All outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.

All related party transactions entered during the year were in ordinary course of business and on arms length basis.

As the liabilities for defined plans and leave entitlements are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 35: Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statement to schedule III to the Companies Act, 2013.

Name of the entity	% Holding	Net Assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount (₹ in Crores)	As % of Consolidated profit or loss	Amount (₹ in Crores)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Crores)	As % of Consolidated Total Comprehensive Income	Amount (₹ in Crores)
Parent : Afcons Infrastructure Ltd.		83.74%	3,012.69	66.54%	299.26	1250.00%	(8.25)	64.80%	291.01
Subsidiaries :									
Indian:									
1) Hazarat & Company Pvt.Ltd.	100%	0.00%	0.03	0.00%	-	0.00%	-	0.00%	-
2) Afcons Corrosion Protection Pvt. Ltd.	100%	0.06%	1.98	0.02%	0.07	0.00%	-	0.02%	0.07
3) Afcons Hydrocarbons Engineering Private Limited	100%	0.04%	1.46	0.01%	0.05	0.00%	-	0.01%	0.05
4) Afcons Oil & Gas Service Pvt. Ltd.	74%	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Foreign:									
1) Afcons Construction Mideast LLC	100%	-2.71%	(97.64)	-1.69%	(7.60)	259.09%	(1.71)	-2.07%	(9.31)
2) Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	49%	0.50%	18.08	0.02%	0.11	-110.61%	0.73	0.19%	0.84
3) Afcons Gulf International Project Services FZE	100%	0.13%	4.50	-0.05%	(0.24)	0.00%	-	-0.05%	(0.24)
4) Afcons Mauritius Infrastructure Ltd.	100%	0.34%	12.16	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
5) Afcons Overseas Singapore Pte Ltd.	100%	16.01%	575.94	8.44%	37.95	-957.58%	6.32	9.86%	44.27
6) Afcons Infra Projects Kazakhstan LLP	100%	-0.05%	(1.72)	-0.16%	(0.74)	0.00%	-	-0.16%	(0.74)
7) Afcons Saudi Construction LLC.	100%	0.00%	-	0.14%	0.63	0.00%	-	0.14%	0.63
8) Afcons Overseas Project Gabon SARL	100%	0.52%	18.87	0.52%	2.34	-131.82%	0.87	0.71%	3.21
Minority interests in all subsidiaries		0.04%	1.56	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Jointly Controlled Operations									
Indian									
1) Afcons Gunanusa Joint Venture	100%	-1.22%	(43.76)	-1.04%	(4.67)	0.00%	-	-1.04%	(4.67)
2) Transtonnelstroy Afcons Joint Venture	99%	-2.15%	(77.36)	0.64%	2.90	0.00%	-	0.65%	2.90
3) Dahej Standby Jetty Project Undertaking	100%	0.03%	1.06	0.05%	0.23	0.00%	-	0.05%	0.23
4) Afcons Pauling Joint Venture	100%	0.05%	1.74	0.00%	-	0.00%	-	0.00%	-
5) Strabag AG Afcons Joint Venture	40%	0.28%	10.20	-0.24%	(1.09)	0.00%	-	-0.24%	(1.09)
6) Afcons Sener LNG Construction Projects Pvt.Ltd.	49%	-0.32%	(11.67)	-0.42%	(1.90)	0.00%	-	-0.42%	(1.90)
7) Ircon Afcons Joint Venture	47%	0.02%	0.88	0.14%	0.64	0.00%	-	0.14%	0.64
8) Afcons Sibmost Joint Venture	100%	3.08%	110.77	25.43%	114.37	0.00%	-	25.47%	114.37
9) Afcons Vijeta PES Joint Venture	100%	-0.02%	(0.57)	-0.06%	(0.28)	0.00%	-	-0.06%	(0.28)
10) Afcons SMC Joint Venture	100%	0.00%	0.10	-0.16%	(0.73)	0.00%	-	-0.16%	(0.73)
11) Afcons Vijeta Joint Venture	100%	0.54%	19.33	2.65%	11.91	0.00%	-	2.65%	11.91
12) Afcons JAL Joint Venture	100%	0.03%	1.18	0.17%	0.78	0.00%	-	0.17%	0.78
13) Afcons KPTL Joint Venture	100%	0.78%	28.18	2.91%	13.10	12.12%	(0.08)	2.90%	13.02
14) Afcons Infrastructure Limited & Vijeta Projects and Infrastructures Ltd. Joint Venture	100%	-0.31%	(11.22)	-2.29%	(10.29)	-2587.88%	17.08	1.51%	6.79
15) Afcons - Vijeta J V	100%	0.90%	32.39	8.41%	37.84	2366.67%	(15.62)	4.95%	22.22
16) Afcons - Hindustan Joint Venture	100%	0.09%	3.09	0.63%	2.85	0.00%	-	0.63%	2.85
Adjustment of deferred tax on undistributed earnings of subsidiary		0.00%	-	0.00%	-	0.00%	-	0.00%	-
Inter-company eliminations and consolidation adjustments		-0.41%	(14.71)	-10.61%	(47.70)	0.00%	-	-10.62%	(47.70)
Total		**100.00%**	**3,597.51**	**100.00%**	**449.76**	**100.00%**	**(0.66)**	**100.00%**	**449.10**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 36. Afcons Gunanusa Joint Venture (AGJV)

AGJV had submitted claims to ONGC, arising on account of cost overruns due to change orders, in terms of the provisions of the contract. The Joint venture has invoked arbitration in respect of the aforesaid change orders. Claims against change orders and counter claims by ONGC aggregating to approx.₹ 400.00 Crores is currently being discussed in arbitration and cross examination of Claimant's witness is being carried out in arbitration.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims, carried out by Joint Venture's management, after considering the current facts and status of proceedings in arbitration as of date, which is supported by legal opinion, management of joint venture is of the view that the "amount due from customer under construction contract" of ₹ 124.05 Crores as on 31st March, 2024 is appropriate and no provision is required to be made as these have been considered as good and fully recoverable by the Management. However, considering that the arbitration proceedings are ongoing, the duration and outcome is uncertain.

Note 37. Transtonnelstroy Afcons Joint Venture (TAJV)

The Transtonnelstroy Afcons Joint Venture ("the JV") had submitted variations to the client for two projects (package UAA-01 and package UAA-05) arising on account of cost overruns, due to unforeseen geological conditions, delays in handing over of land and change in scope of work etc., in terms of the provisions of the contract with the Chennai Metro Rail Limited ("the client"), which the Management believes is attributable to the client.

During Financial Year 2021-22, Arbitration Panel issued a unanimous award in favour of Joint Venture granting extension of time in terms of number of days (the "claim no. 1 and 2"). The Arbitral Awards on Extension of Time matters (Claim No. 1&2) of Contract UAA-01 & UAA-05 were challenged by CMRL before the Ld. Single Judge of Madras High Court and succeeded. The order of the Ld. Single Judge was then challenged by TTA JV before the Hon'ble Division Bench and the same was dismissed vide order dated 01.02.2023. The said order of the Hon'ble Division Bench was challenged before the Hon'ble Supreme Court by TTA JV and the SLP was admitted and registered as Civil Appeal. The matter is listed for hearing on 12th July, 2024.

Based on the assessment, the orders were not challenged by CMRL on the Merits of the Arbitral Award but on the alleged procedural lapses on part of the Tribunal (i.e., no opportunity provided to CMRL on account of two particular documents sought by the Tribunal from TTA JV). Further, the Ld. Single Judge in its Order has also granted liberty to the Parties to go back to the existing Tribunal to get opportunity on the two documents. Also, the Hon'ble Division bench after hearing prima facie case has sought consent of parties on remanding the matter to the same Tribunal. However, since CMRL did not agree for consenting to the same and also the Hon'ble bench does not have special power to direct the parties to go before the same Tribunal, the Hon'ble bench proceeded to hear the matter and pronounced the order.

Arbitration proceedings related to claims for cost of extension of time granted in claim no. 1 and 2 and related cost i.e. Claim No. 3 and 3A along with EOT claimed beyond Arbitration Award and associated cost, forming part of Claim No 8 have been kept on hold and shall be initiated based on outcome Civil Appeal of the SLP filed with Hon'ble Supreme Court.

Disputes related to release of withheld amount, release of retained amount, refund of amount encashed against Bank Guarantees and issuance of final taking over certificate (the "claim no. 8") are currently being heard in arbitration award.

In the earlier years, Joint Venture had received favourable arbitration awards in few of the other matters. The Client has challenged these arbitration awards before the Hon'ble High Court, Madras. Pending disposal of these matters in the court, client has, upon submission of the bank guarantee by the Joint Venture, deposited part of the award amount with the Joint Venture, pursuant to an interim stay order from Hon'ble High Court, Madras. The hearing for this is currently in process. The arbitration award amounting to ₹ 120.81 Crores (₹ 120.81 Crores as on 31st March, 2023) and interest on arbitration award of ₹ 30.63 Crores (₹ 30.63 Crores as on 31st March, 2023) has been recognized as "Non-current Trade Receivables" and "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", respectively, and the amount of ₹ 79.28 Crores (₹ 79.28 Crores as on 31st March, 2023) received against such award has been recognized as "Other Non-current Liabilities -Contract Liabilities- Advances from customers".

Further, there are counter claims submitted by CMRL amounting ₹ 1945.81 Crores (₹ 1945.81 Crores as on 31st March, 2023). The counterclaims lodged by CMRL arose due to the alleged defective works in the tunnelling i.e. excessive steps and lips in the Tunnel Rings. The Counter claims are mainly towards the contingencies that CMRL may have to incur in future in the form of Rectification works, Loss of revenue and additional maintenance costs during the intended design life due to the said alleged defects in the tunnelling works. In addition, the Counterclaim was not substantiated by any supporting documents either on effect or on Cost. TTA JV has submitted an expert report to the Arbitral Tribunal wherein it states that the excessive stepping and lipping has no impact on either structural stability or on waterproofing systems. The counterclaims of the CMRL are made as an afterthought, which is evident from the fact that the same was filed by CMRL only in 2022, after issuance of substantial taking over certificate for UAA 01 in December 2019 and UAA 05 in June 2018, and both the packages became commercially operative in 2017 (UAA 05) and in 2019 (UAA 01).

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims and counter claims , carried out by Joint Venture's management, after considering the current status of negotiation/amicable settlement with the client/ proceedings in arbitration, High Court and Supreme Court as of date, which is supported by external legal opinion, management of Joint Venture is of the view that the "amount due from customer under construction contracts" recorded in the books of accounts is based on cost actually incurred and so claimed but not duly compensated. Management of joint venture is confident of getting favourable order/ award and is of that opinion that amount of ₹ 659.87 Crores (₹ 659.87 Crores as on 31st March, 2023) recognized towards such variations/ claims in 'Amounts due from customers under construction contracts' as Non-Current assets, an amount of ₹ 120.81 Crores (₹ 120.81 Crores as on 31st March, 2023) towards the arbitration award recognized as 'Non-current Trade Receivables' and an amount of ₹ 30.63 Crores (₹ 30.63 Crores as on 31st March, 2023) interest on arbitration award as "Other non-current financial assets - Interest on Trade Receivables as per Arbitration Awards", is appropriate and the same is considered as good and fully recoverable. Joint Venture management does not anticipate any loss to be recognized or contingent liability to be disclosed at this stage. However, considering that the negotiations, proceedings in arbitration, High Court and Supreme Court are ongoing, the duration and outcome is uncertain.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 38. DAHEJ STANDBY JETTY PROJECT UNDERTAKING (DJPU):

Management of Dahej Standby Jetty Project Undertaking (“DJPU”) has submitted variations towards the amount of claims in terms of the provisions of the contract, which were not approved by the Petronet LNG Limited (“the client”). During the year 2018-19, management has invoked arbitration for settlement of their claims against the client.

During the earlier year, an unfavourable award was granted in Arbitration, towards claims of liquidated damages for delay in completion of works by Joint Venture for ₹ 79.28 Crores (including interest of ₹ 20.45 Crores). Client has subsequently encashed the bank guarantees given by a Joint Venturer Partner, Afcons Infrastructure Limited of ₹ 79.28 Crores and recovered the award amount. The amount of encashed Bank Guarantee has been recorded by the Joint Venture as Other Receivables from customer (Other non-current assets) and Payable to JV Partner (non-current borrowings). Thereafter, the Joint Venture has filed petition at Hon’ble High Court, Delhi for setting aside the unfavourable award and also submitted claims for additional cost incurred w.r.t extended stay and acceleration cost, considering that the delay is attributable to the client and in terms of the contractual provisions. This petition is admitted by Hon’ble High Court, Delhi and hearings is currently in process. The Hon’ble High Court Delhi on 22nd November 2022 directed client to submit an undertaking signed by President (Finance) of client, to the effect that it shall restitute the entire amount in the event Joint Venture succeeds in its challenge to the award.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims, carried out by Joint Venture’s management, after considering the current facts and status of proceedings in High Court as of date, which is supported by legal opinion, management of Joint Venture is of the view that the amount recoverable from the client of ₹ 79.28 Crores disclosed as ‘Other Receivables’ and the ‘amount due from customer under construction contract’ of ₹ 11.10 Crores as on 31st March, 2024 is appropriate and no further provision for aforesaid claims and receivables is required to be made as these have been considered as good and fully recoverable by the Management. However, considering that the proceedings in High Court are ongoing, the duration and outcome is uncertain.

Note 39.

(a) The Company has been legally advised that outstanding interest free advances aggregating to ₹ 858.14 Crores (As at 31st March, 2023 ₹ 852.50 Crores) before elimination made towards financing the unincorporated joint operations do not come under the purview of Section 186 of Companies Act, 2013 as the Company is in the business of constructing and developing infrastructure facilities.

(b) In view of non-applicability of section 186 of the Companies Act, 2013, the details of particulars required to be made thereunder in the financial statements are not applicable in relation to loan made, guarantee given or security provided. For investments made refer to Note no. 4.

Note 40.

Konkan Railway Corporation Limited (“KRCL”) had issued a contract for construction of Steel Arch Bridge across river Chenab on 24th August 2004. The Designs and the Design Basis Note (“DBN”) submitted by Chenab Bridge Project Undertaking (“CBPU”) during the tender stage, which were in compliance with the tender terms, were revised in 2005 and subsequently in 2006 and 2010 by KRCL. The completion of project got delayed due to various reasons such as changes in design basis note, arch span, finalization of slope stabilization, belated changes in the contract specifications of various materials etc. which the management firmly believes are attributable to the client.

In light of the above, the Company has raised claims in the arbitration proceedings, which are towards reimbursement of additional expenses on account of extended stay, categorization of excavation works, compensation due to loss of productivity, expenses incurred due to change in alignment etc. in terms of the provisions of the contract. Previously, the Company had received unfavourable awards (for the majority of claims) by the Special Arbitral Tribunal for the claims submitted upto June 2013. The awards are challenged before Hon’ble Bombay High Court.

Presently, Company’s claims beyond July 2013 are being adjudicated by the Standing Arbitral Tribunal mutually appointed by the parties. Further, the management of the Company was negotiating with KRCL in respect of its claim towards payment, due to increase in structural steel quantities. In this respect, a committee was appointed by KRCL through Railway Board who has given recommendations in favour of the Company. However, KRCL did not agree to implement the recommendations of the report and hence, the matter is now referred for adjudication by the Standing Arbitral Tribunal.

The “amount due from customer under construction contract” recorded in the books of accounts amounting to ₹ 192.92 Crores as at 31st March, 2024, includes ₹ 115.00 Crores on account of increase in steel quantity due to change in design is based on cost actually incurred and so claimed with KRCL, but not compensated.

Based on the assessment, historical experience in similar circumstances and technical evaluation of the aforesaid matters related to claims carried out by the management, after considering the current facts and status of proceedings in arbitration and High Court as of date, which is supported by legal opinion, the management is confident of getting a favourable judgement and recover all the aforementioned amount of ₹ 192.92 Crores recorded in books as “amount due from customer under construction contract” related to this project. However, considering that the proceedings in arbitration and High Court are ongoing, the duration and outcome is uncertain.

Note 41.

The Group had executed project awarded by the Board of Trustees of the port of Mumbai (MbPT) for Modernization of the existing Marine Oil Terminal and berths/jetties J1, J2 and J3 at the Multi-cargo Marine Oil Terminal of Jawahar Dweep based in Mumbai Harbor. The project had completed in June 2003.

The Group had gone into arbitration with MbPT for compensation for extended stay related to projects and was successful in getting an award of ₹ 96.02 Crores including interest till the date of award, in its favour on November 2011. However, the Award was challenged by MbPT u/s 34 of Arbitration and Conciliation Act, 1996 to the Single Bench of Bombay High Court. The Single Bench had set aside the award and passed the order in favor of MbPT. The Group filed an appeal with the High Court of Mumbai for a two bench Judge as against order of Single Bench. The appeal was admitted by the High Court for a hearing by a two bench Judge in the month of April 2018. Based on management’s assessment, legal opinion obtained and facts of the matter, the Group is confident of winning the case and recovering the entire amount from MbPT in future.

Note 42.

The Company had executed projects awarded by Uttar Pradesh Expressways Industrial Development Authority for Construction of Six-lane green field Kannauj to Unnao Expressway (package IV) and Firozabad to Etavah (package II). During the execution of these projects the client issued various change orders which required additional deployment of resources. The expressway was inaugurated and put to use in December 2016. These projects were completed 13 months ahead of schedule.

Due to the various change orders, the Company has raised various claims towards additional expenses on account of change of scope, additional works, royalty claim etc. An amount of ₹ 211.29 Crores is outstanding towards unbilled receivables and disclosed under note no.8 “Contract assets”. The matter is referred to Arbitration. Considering the legal opinion obtained and facts of the matter, the Company is confident of winning the case and recovering the entire amount from Uttar Pradesh Expressways Industrial Development Authority.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 43.

(a) The Group has unbilled receivables towards various ongoing and completed projects disclosed under Note no. 8 'Contract assets'. This unbilled work also includes variations on account of cost overruns due to unforeseen geological conditions, delays in handling over land, change in scope of work, etc. which are under discussions at various levels including customer, in arbitration, Dispute Adjudication Board etc. Based on the discussions and merits of the claims, the management is confident about the recovery of these pending variations with respect to unbilled receivables disclosed under note no.8 "Contract assets".

(b) The Group has a total net receivable of ₹ 1,455.03 Crores (including interest on arbitration awards ₹ 389.67 Crores) which is a part of Trade Receivables shown under note 5 towards arbitration awards which are won by the Group in past, these arbitration awards have been further challenged by the customers before the session court or higher courts of law. Pending disposal of these matters in the courts, management has recognized the amount as per the arbitration award and part payment has been received by management under Niti Aayog Scheme upon submission of a bank guarantee by the Group, which is disclosed as advances from customers in note no.17 'Contract Liability'. Management is confident about the recovery of the amounts involved in the pending matters at various levels.

Note 44.

In the earlier years, the Company has from time to time paid advance aggregating to ₹ 269.54 Crores to a Subcontractor viz Shapoorji Pallonji and Company Private Limited in connection with undertaking the designing and interior work of the stations for elevated metro projects at Bangalore, Mumbai, Ahmedabad, and Kanpur awarded to it against the security of Letter of Comfort provided by the subcontractor.

However, since the subcontractor could not execute the work for the station work referred to above, the Company got this station work done on its own. As per terms of Letter of Comfort, subcontractor was to refund this advance to the Company, however due to certain financial difficulties subcontractor has not been able to refund advance given to it under the subcontract.

Considering the fact that aforesaid projects is nearing completion, said advance has been classified as other current financial assets as advance to vendor recoverable in cash.

Management is following up with the SPCPL for recovery of the aforesaid advance and as confirmed by SPCPL it is expected to be settled by September 30, 2024, failing which the Company will charge interest @ 12% p.a.

Note 45.

The Jointly Controlled Operations have mentioned in their financial statement that as per the terms of agreement parent is committed to provide additional funds as may be required to meet the working capital requirements of such Jointly Controlled Operations.

Basis management's assessment, parent is committed to provide and can adequately source additional funds as may be required to meet the working capital requirements of these Jointly Controlled Operations.

Note 46. As on 31st March, 2024, an amount of ₹ 558.62 Crores (excluding Jointly Controlled Operations) is receivable towards GST Input Credit which includes unutilised credit of inputs and input service on account of inverted duty structure. The Company has a robust Order book position of more than ₹ 22,400 Crores across India and there are several projects which are under the pipeline. Further, the Company has initiated Arbitration towards variations and Time related claims with respect to various projects and management expects favorable awards in these claims/ arbitration. Considering the facts as mentioned above, there is no doubt about the utilization of the GST input credit balance against the future liabilities and the same is considered good.

Note 47. Going concern related assessments performed by various entities (including branches and jointly controlled operations) within the Group.

a) Afcons Sener LNG Constructions Projects Pvt. Ltd.

Material uncertainty related to going concern:

The auditor of Jointly Controlled Operations "Afcons Sener LNG Constructions Projects Private Limited" has given a note to accounts in financial statement relating to going concern assumption used for preparation of financial statements. Basis the Company's assessment Company can adequately source the funding required of the mentioned Jointly Controlled Operations.

b) Afcons Oil and Gas Services Private Limited

Material uncertainty related to going concern:

The auditor of subsidiary "Afcons Oil and Gas Services Pvt. Limited" has given a note to accounts in financial statement relating to going concern assumption used for preparation of financial statements. Basis the Company's assessment Company can adequately source the funding required of the mentioned subsidiary.

c) Afcons Gulf International Projects Services FZE

Material uncertainty related to going concern:

The auditor of subsidiary "Afcons Gulf International Projects Services FZE" has given a note to accounts in financial statement relating to going concern assumption used for preparation of financial statements. Basis the Company's assessment Company can adequately source the funding required of the mentioned subsidiary.

d) Afcons Overseas Project Gabon SARL

Material uncertainty related to going concern:

The auditor of subsidiary "Afcons Overseas Project Gabon SARL" has given a note to accounts in financial statement relating to going concern assumption used for preparation of financial statements. Basis the Company's assessment Company can adequately source the funding required of the mentioned subsidiary.

Note 48: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Relationship with struck off companies

Relationship with Companies whose name is struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

The Group has following transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Name of struck off Company	Nature of transactions with struck-off Company	Balance as on 31st March, 2024 (₹ in Crores)	Balance as on 31st March, 2023 (₹ in Crores)	Relationship with the struck off Company
Apl Solutions Pvt. Ltd.	Supply	-	#	Not a Related Party
Viradhya Infratech Private Limited	Service	0.01	0.02	Not a Related Party
Bikram Construction Private Limited	Service	(0.02)	0.02	Not a Related Party
Star Wire India Ltd.	Service	-	0.01	Not a Related Party
Gurutek Systems Pvt. Ltd	Supply	-	#	Not a Related Party
Frama Systems India Pvt. Ltd.	Supply	-	#	Not a Related Party
Tricolite Engg. Pvt. Ltd.	Service	-	#	Not a Related Party
Sohum Habitat Pvt. Ltd.	Service	-	#	Not a Related Party
Wavenet Infratel Private Limited	Service	-	-	Not a Related Party

The Group has following outstanding balances as on 31st March, 2024, with the companies struck off under Companies Act, 2013 or Companies Act, 1956. However, no transactions have been entered during the year

Name of struck off Company	Nature of transactions with struck-off Company	Balance as on 31st March, 2024 (₹ in Crores)	Balance as on 31st March, 2023 (₹ in Crores)	Relationship with the struck off Company
V.S.Projects Private Limited	Service	#	#	Not a Related Party
Parmar Power System Private Limited	Service	0.01	0.01	Not a Related Party
Yasaj Infrastructure Private Limited	Service	#	#	Not a Related Party
Kamlesh Projects Private Limited	Service	0.06	0.06	Not a Related Party
Hbc Infratech Pvt. Ltd.	Service	#	#	Not a Related Party
Rump Inspection & Engg	Service	#	#	Not a Related Party
I Dream Infratech Private Limited	Service	0.02	0.02	Not a Related Party
Zoiros Infratech Pvt. Ltd	Service	0.02	0.02	Not a Related Party
Bulsar Construction & Consulting (Opc) Private Limited	Service	0.02	0.02	Not a Related Party
Pankasooraj Foundations Private Limited	Service	#	#	Not a Related Party
Sokam Overseas Private Limited	Service	0.01	0.01	Not a Related Party
Mm & Ay Infra Projects Private Limited	Service	#	#	Not a Related Party
Srianandam Infratech Private Limited	Service	#	#	Not a Related Party
Shaurya Protection And Detection Pvt. Ltd	Service	0.01	0.01	Not a Related Party
Engicon India Pvt. Ltd	Service	0.02	0.02	Not a Related Party
Hal Water Vatika Pvt. Ltd.	Supply	0.01	0.01	Not a Related Party
Emc2 India Pvt. Ltd	Service	0.04	0.04	Not a Related Party
Mac International Infra Pvt. Ltd.	Service	0.01	0.01	Not a Related Party
Precision Calibration And Services Pvt. Ltd	Service	#	#	Not a Related Party
Anp Geo Infra Pvt. Ltd.	Service	0.01	0.01	Not a Related Party
Dell Environmental Monitoring	Service	-	0.21	Not a Related Party

Note:- Amount mentioned as "#" is below rounding off norms adopted by the Group.

(iv) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) Utilisation of borrowed funds and share premium

A. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

B. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(xi) The Group is not declared as a wilful defaulter by any bank or financial institution or other lender during any reporting year.

(xii) The Group does not have any investment property during any reporting period, the disclosure related to fair value of investment property is not applicable.

Note No 49. Financial instruments

49.1. Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 14 and 20) offset by cash and bank balances as detailed in notes 10 and 10.1 and total equity of the Group.

The Group is not subject to any externally imposed capital requirements. The Group monitors capital using a gearing ratio, which is net debt divided by total capital.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

49.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows. (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Debt (Refer note i)	2,455.01	1,562.83
Cash and bank balances	(666.26)	(377.44)
Net debt	1,788.75	1,185.39
Total equity (Refer note ii)	3,597.51	3,177.25
Net debt to equity ratio	0.50	0.37

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts as described in notes 14 and 20 and includes interest accrued but not due on borrowings)

(ii) Equity includes all capital and reserves of the Group that are managed as capital.

49.2. Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value except non-current investments in un-quoted equity instruments of subsidiaries and Jointly Controlled Operations, which are carried at cost.

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	413.26	319.32
(b) Bank balance other than (a) above	253.00	58.12
(c) Trade receivables	3,620.19	2,847.85
(d) Loans	61.83	53.35
(e) Other financial assets	919.33	764.23
Measured at FVTOCI		
(a) Investments in equity instruments	0.77	0.50
Total financial assets	**5,268.38**	**4,043.37**
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	2,455.01	1,562.83
(b) Trade payables	4,756.62	3,981.34
(c) Other financial liabilities	396.38	519.25
Total financial liabilities	**7,608.01**	**6,063.42**

49.3. Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the group through internal risk assessment and analysis forex exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The risk management is governed by the Group's policy approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

49.4. Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

49.5. Foreign currency risk management

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions in various countries. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

The carrying amounts of the Group's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Liabilities		Assets	
	As at 31st March, 2024		As at 31st March, 2024	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
AED Currency	0.10	2.19	0.02	0.50
BDT Currency	634.00	489.26	720.03	555.65
BTN Currency	1.92	1.92	3.00	3.00
CHF Currency	0.00	0.07	-	-
EURO Currency	0.20	17.96	0.68	61.40
GBP Currency	0.00	0.07	-	-
GHS Currency	24.31	153.62	34.38	217.20
GNF Currency	203.52	1.99	-	-
JPY Currency	11.78	6.49	-	-
KWD Currency	0.22	58.86	0.25	66.75
MRU Currency	21.63	45.53	7.60	15.99
MUR Currency	41.17	73.96	84.32	151.48
MVR Currency	153.05	827.81	181.40	981.13
MZN Currency	49.73	65.55	121.58	160.27
OMR Currency	0.00	0.04	-	-
QAR Currency	-	-	0.56	12.81
SAR Currency	0.00	0.02	-	-
TZS Currency	125.60	4.07	5.99	0.19
USD Currency	8.65	721.81	4.86	405.34
XAF Currency	2,866.32	393.55	2,302.54	316.14
XOF Currency	509.72	69.98	476.55	65.43
ZMW Currency	24.15	80.53	0.27	0.90

Particulars	Liabilities		Assets	
	As at 31st March, 2023		As at 31st March, 2023	
	Amount in foreign currency (in Crores)	(₹ in Crores)	Amount in foreign currency (in Crores)	(₹ in Crores)
AED Currency	0.65	14.49	0.06	1.39
BDT Currency	632.47	485.23	602.22	462.02
BHD Currency	0.01	2.84	0.00	0.01
BTN Currency	7.97	7.97	20.18	20.18
EURO Currency	0.28	24.57	1.34	120.05
GBP Currency	0.00	0.07	0.00	0.12
GHS Currency	28.77	205.56	24.17	172.67
JOD Currency	0.00	0.16	0.03	3.29
JPY Currency	1.45	0.90	0.01	0.01
KWD Currency	0.55	148.07	0.79	210.91
MRU Currency	17.92	43.25	2.57	6.20
MUR Currency	47.22	85.55	79.02	143.16
MVR Currency	169.62	903.84	154.93	825.54
MZN Currency	46.85	60.90	159.18	206.89
NPR Currency	0.19	0.12	0.02	0.01
OMR Currency	0.00	0.04	-	-
QAR Currency	-	-	0.50	11.24
SAR Currency	0.00	0.02	-	-
SGD Currency	0.00	0.00	-	-
TZS Currency	365.87	12.88	51.09	1.80
USD Currency	8.35	685.98	3.23	265.30
XAF Currency	1,257.53	170.90	1,693.44	230.14
XOF Currency	346.27	47.06	82.94	11.27
ZAR Currency	0.01	0.06	-	-
ZMW Currency	28.79	111.86	-	-

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

49.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of USD, EURO,KWD,GHS,ZMW,MUR, MZN, MRU and MVR

The following table details the Group's sensitivity to a 5% increase and decrease in the Indian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding on receivable and payables in the Group at the end of the reporting period.The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in the profit or equity where the Indian Rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency , there would be a comparable impact on the profit or equity, and the balances below would be negative. The impact of 5 % is also applicable on outstanding foreign currency loans as on the reporting date.

(₹ in Crores)

Particulars	USD Currency Impact		Euro currency impact		KWD currency impact	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Impact on profit or loss for the year						
Increase in exchange rate by 5%	(15.82)	(21.03)	2.17	4.77	0.39	3.14
Decrease in exchange rate by 5%	15.82	21.03	(2.17)	(4.77)	(0.39)	(3.14)

Particulars	GHS currency impact		ZMW currency impact		MUR currency impact	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Impact on profit or loss for the year						
Increase in exchange rate by 5%	3.18	(1.64)	(3.98)	(5.59)	3.88	2.88
Decrease in exchange rate by 5%	(3.18)	1.64	3.98	5.59	(3.88)	(2.88)

Particulars	MZN currency impact		MRU currency impact		MVR currency impact	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Impact on profit or loss for the year						
Increase in exchange rate by 5%	4.74	7.30	(1.48)	(1.85)	7.67	(3.91)
Decrease in exchange rate by 5%	(4.74)	(7.30)	1.48	1.85	(7.67)	3.91

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

49.5.2 Derivative financial instruments

The group has entered into foreign currency options and Interest rate swaps to cover its exchange rate and interest rate risks pertaining to its foreign currency borrowings.

There are no significant derivative financial instruments outstanding at the end of the reporting period.

49.6. Interest rate risk management

The group is exposed to interest rate risk because entities in the group, borrow foreign currency and local currency funds at floating interest rates. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The group's exposure to interest rate changes at the end of reporting period are as follows: (₹ in Crores)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Borrowing at Fixed Rate	1,616.42	773.69
Borrowing at Floating Rate	834.54	787.72
Total Borrowings	**2,450.96**	**1,561.41**

49.6.1. Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the six month ended 31st March, 2024 would decrease/increase by ₹ 4.17 Crores (31st March, 2023: decrease/increase by ₹ 3.94 Crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

49.7. Other price risks

The Group is exposed to equity price risks arising from mutual funds and equity investments. Certain of the Group's equity investments are held for strategic rather than trading purposes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenure of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

49.7.1 Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

Other comprehensive income for the year ended 31st March, 2024 would increase / decrease by ₹ 0.01 Crores (31st March, 2023: increase/ decrease by ₹ 0.01 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI.

49.8 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from investment in debt instruments, loans, trade receivables, other receivables, cash and bank balance and derivative financial instruments.

The Group is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, bank deposits, trade receivables and loan receivables. The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

Trade receivables and loan receivable:

The Group assesses and manages credit risk on an internal credit evaluation system. It is performed by the finance team in conjunction with the relevant business teams depending on whether depending on the nature and type of the financial asset being evaluated.

The customer base of the Group is highly comprising of government parties. Further, Group is having certain short term loan receivables from the Group entities. Collateral is generally not obtained from customers. Other customers are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

(A) To measure the expected credit losses on (a) trade receivables from government parties, and (b) trade receivables and loan receivables from Group Companies, they have been considered to enjoy the low credit risk as they meet the following criteria:

i) they have a low risk of default,

ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and

iii) the Group expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

(B) Cash and cash equivalents, bank deposits are held with only high rated banks/financial institutions, credit risk on them is therefore insignificant.

(C) For other trade receivables (including contract assets), the Group uses “General Model” for the measurement of expected credit loss (ECL) for trade receivables as well as contract asset.

49.10 Fair value measurements

The measurement of ECL under general model depends on whether credit risk has increased significantly since initial recognition. These credit risk is regularly monitored based on historic turnover activity and credit performance of every customer. In addition, overdue receivable balances are monitored and actioned on a regular basis. When the credit risk has not increased significantly after initial recognition, a provision shall be made for the 12 month expected loss, otherwise shall be made for the entire lifetime.

The Group considers the probability of default upon initial recognition of asset and whether there is a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information which considers multiple factors such as:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower’s ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increase in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

Macro-economic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments within 120 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Refer note 5 and note 8 for reconciliation of expected credit loss balance on financial assets.

49.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the Group’s short-term, medium-term, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

49.9.1 Liquidity risk table

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include principal cash flows along with interest. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(₹ in Crores)

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1-5 years	5+ years	Total
31st March, 2024					
Borrowings (including Interest)	9.39%	1,933.41	674.84	17.99	**2,626.24**
Trade payables		4,325.62	431.00	-	**4,756.62**
Other financial liabilities		269.85	126.53	-	**396.38**
		6,528.88	**1,232.37**	**17.99**	**7,779.24**
31st March, 2023					
Borrowings (including Interest)	8.67%	1,031.35	663.04	-	**1,694.39**
Trade payables		3,508.50	472.84	-	**3,981.34**
Other financial liabilities		362.37	156.88	-	**519.25**
		4,902.22	**1,292.76**	**-**	**6,194.98**

The Group is exposed to credit risk in relation to guarantees given. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. Based on expectations at the end of the reporting period, the Group considers that it is more likely that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the beneficiary under the guarantee may default.

For Contractual maturities of lease liabilities refer note 51 (iii).

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

49.10.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets / Financial liabilities	Fair value (₹ in Crores)		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2024	As at 31st March, 2023		
Investments in equity instruments at FVTOCI (quoted) (see note 1)	0.77	0.50	Level 1	The investment in quoted instruments are measured at fair value based on quoted prices in active market.

Note 1: These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the directors believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

49.10.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amounts of the following financial assets and financial liabilities (other than long term borrowings) are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

a) **Financial assets**

Cash and bank balances
Bank balance other than above
Trade receivables
Loans
Other financial assets

b) **Financial liabilities**

Short-term borrowings
Trade payables
Other financial liabilities
Lease Liabilities

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

The carrying amount and fair value of long term borrowings, which are measured at amortised cost is disclosed in table below :

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities held at amortised cost:	**834.54**	**834.54**	**787.72**	**787.72**
- Borrowings	834.54	834.54	787.72	787.72

Note No 50. Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers".

(i) Disaggregation of revenue from contracts with customers into geographical areas for the year ended 31st March, 2024 recognised in the consolidated statement of profit & loss

(₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Segment revenue		
India	9,965.30	8,603.73
Outside India	3,302.20	4,033.65
Revenue from external customers	**13,267.50**	**12,637.38**
Timing of revenue recognition		
At a point in time	189.96	153.96
Over time	13,077.54	12,483.42
	13,267.50	**12,637.38**

(ii) Unsatisfied performance obligations:

The aggregate amount of transaction price allocated to performance obligation that are unsatisfied as at the end of reporting year is ₹ 35,924.03 Crores (As at 31st March, 2023 ₹ 37,420.22 Crores). Management expects that about 40% of the transaction price allocated to unsatisfied contracts as of 31st March, 2024 will be recognized as revenue during next 12 months depending upon the progress of each contracts. The remaining amount is expected to be recognised in subsequent years.

(iii) Reconciliation of contract price with revenue recognised during the year: (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Revenue as per contract price	13,237.13	12,692.32
Adjustments for:		
Payments on behalf of customer	30.37	(54.94)
Revenue from Operations	**13,267.50**	**12,637.38**

(iv) Significant changes to Contract Asset and Contract Liability from 1st April, 2023 to 31st March, 2024 (₹ in Crores)

Particulars	Contract Assets	Contract Liabilities
Contract assets / liabilities as at 1st April, 2022	3,962.82	4,480.14
Changes in Contract Asset / Liabilities	726.18	59.17
Contract assets / liabilities as at 1st April, 2023	4,689.00	4,539.31
Changes in Contract Asset/ Liabilities	536.40	(89.86)
Contract assets / liabilities as at 31st March, 2024	**5,225.40**	**4,449.45**

* The contract assets and liabilities undergo a change periodically, due to changes in the contractual estimates for the projects on account of any change in scope of work, unprecedented delays, etc. During the year, the group has additionally recognised a loss allowance for contract assets in accordance with Ind AS 109.

(i) Contract assets represents balances due from customers under construction contracts that arise when the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing.

(ii) Contract liabilities relating to construction contracts are balances due to customers, these arise when a particular milestone payment exceeds the revenue recognised to date under the input method and advance received in long term construction contracts. The amount of advance received gets adjusted over the construction period as and when invoicing is made to the customer.

Contract assets and contract liabilities net position assessed on a contract by contract basis as at 31st March, 2024 and its classification into current and non current for respective years.

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
Contract Assets	1,994.64	1,167.48	1,406.06	1,312.24
Contract Liabilities	1,248.35	1,137.82	1,586.94	981.67

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

(v) - For movement in Expected Credit Loss of Trade Receivables and Contract Assets, refer Note 5.1.A and 8.1 of the consolidated financial statement.

- For Trade Receivable refer Note 5 of the consolidated financial statement.

- For Contract liabilities refer Note 17 of the consolidated financial statement.

(vi) Contracts assets and liabilities balance (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Contracts in progress at the end of the reporting period:		
Construction cost incurred plus recognised profits less recognised loss to date	70,770.88	56,982.01
Less : Progress billings	66,102.31	53,422.41
	4,668.57	**3,559.60**
Recognised and included in the consolidated financial statements as amounts due :		
- from customers under construction contracts	5,225.40	4,689.00
- to customers under construction contracts	(556.83)	(1,129.40)
	4,668.57	**3,559.60**

(vii) The Group recognised revenue amounting to ₹ 1,085.89 Crores in the current reporting year (Previous year ₹ 1,380.26 Crores) that was included in the contract liability as of 1st April, 2023.

Note 51 - Disclosure pursuant to Ind AS 116 "Leases".

The Group leases land and buildings. Rental contracts are typically made for fixed periods of 1 to 3 years, but may have extension options as described in (v) below.

(i) Amounts recognised in the balance sheet

a. Right-to-use assets (₹ in Crores)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
Land	3.D	29.75	42.41
Building	3.D	38.16	6.31

b. Lease Liabilities (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current	33.08	33.75
Non-current	35.15	15.68

(ii) Amounts recognised in the statement of profit and loss (₹ in Crores)

Particulars	Note	Year ended 31st March, 2024	Year ended 31st March, 2023
Expense relating to short-term leases (included in equipment hire / rent charges and other expenses)**	28	68.86	35.75
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	28	0.89	0.49
Interest on lease liability	26	4.43	5.12
Depreciation during the year	27	40.16	41.73
Total		**114.34**	**83.09**

** Rent expense relating to short-term leases of identified assets and variable lease payments under Ind AS 116 included in Note 24.1 and Note 28 as mentioned above stands to ₹ 68.86 Crores However, the total of rent and hire charges included in Note 24.1 and Note 28 stands at ₹ 751.10 Crores, the differential of ₹ 682.24 Crores is on account of hire charges of the assets which are unidentified assets under Ind AS 116.

(iii) Maturities of lease liabilities as at 31st March, 2024 (₹ in Crores)

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	33.08	35.15	-	68.23

Previous year

Particulars	Upto 1 year	1-5 years	5 and More years	Total
Lease liabilities	33.75	15.68	-	49.43

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

(iv) Total cash outflow for leases for the year ended 31st March, 2024 was ₹ 40.56 Crores (Previous year ₹ 43.45 Crores)

Amount recognised in cashflow statement (₹ in Crores)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Payment of Lease Liabilities during the year	36.13	38.33
Finance cost paid during the year	4.43	5.12

(v) Extension and termination options

Extension and termination options are included in a number of Land, Office Premises, Houses and Godowns leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operation. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(vi) Practical expedients applied :

In applying Ind AS 116, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at 1st April, 2021 as short-term leases
- using hindsight in determining the lease term where the contract contains option to extend or terminate the lease
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.

(vii) The lessee's range of weighted average incremental borrowing rate applied to the lease liabilities for the entire group was 9.25%.

(viii) Lessor accounting

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of Ind AS 116.

Note 52.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 53. - Interest in other entities

Details of aggregate amount of individually immaterial subsidiaries having non-controlling interest. (₹ in Crores)

Name of Subsidiary	Principal Activities	Place of Incorporation and Principal place of business	Proportion of ownership interests and voting rights held by non- controlling interest		Profit/(Loss) allocated to non- controlling interest		Accumulated non-controlling interest		Dividends paid to non-controlling interest	
			As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Afcons Infrastructures Kuwait for Building, Road and Marine Contracting WLL	Infrastructure	Kuwait	3%	3%	0.00	0.00	1.56	1.56	-	-
Total					0.00	0.00	**1.56**	**1.56**	**-**	**-**

Notes forming part of the consolidated financial statements as at and for the year ended 31st March, 2024 (Continued)

Note 54.A.

As of 31st March, 2024 the Group has an outstanding receivables amounting to ₹ 92.77 Crores from SP Jammu Udhampur Highway Limited (SP Juhi) under the EPC contract for the Jammu Udhampur Road Project of NHAI. SP Jammu Udhampur Highway Limited (SP Juhi) had assigned the same to Shapoorji Pallonji Solar Holdings Pvt Ltd. (SP Solar) vide deed of assignment dated 20th July, 2022 between SP Juhi and SP Solar, which got subsequently merged with Shapoorji Pallonji Infrastructure Capital Co. Pvt. Ltd.

Note 54.B.

The Company was using accounting software i.e. 'SAP ECC' as its books of accounts till 20th November, 2023. The Company has upgraded its accounting software to 'SAP S/4 Hana with rise' with effect from 21st November, 2023. While SAP audit logging has been enabled throughout the year and captures all the changes made in the application system through an audit log, the same was not enabled for SAP ECC database for the period 01st April, 2023 to 20th November, 2023. However, access to SAP ECC database was restricted solely to IT administrators for essential system maintenance tasks such as operating system and database upgrades as well as patch management. In SAP S/4HANA with rise, database is maintained on cloud with the service provider and hence the management cannot make any changes at database level except by way of raising a ticket with SAP S/4Hana with rise accounting software.

Note 55.

The consolidated financial statement is approved and adopted by the Board of Directors in it's meeting held on 14th June, 2024.

In terms of our report attached			**For and on behalf of the Board of Directors**
For DELOITTE HASKINS & SELLS LLP **CHARTERED ACCOUNTANTS** **Firm Registration No.117366W/W-100018**	**For HDS & ASSOCIATES LLP** **CHARTERED ACCOUNTANTS** **Firm Registration No. W100144**	**K.SUBRAMANIAN** **Executive Vice Chairman** **DIN: 00047592**	**S.PARAMASIVAN** **Managing Director** **DIN: 00058445**
NILESH SHAH **Partner** **Membership No. 049660**	**SURESH K. JOSHI** **Partner** **Membership No. 030035**	**RAMESH KUMAR JHA** **Chief Financial Officer**	**GAURANG M. PAREKH** **Company Secretary**
Place: Mumbai **Date: 24th June, 2024**		**Place: Mumbai** **Date: 14th June, 2024**	

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of the subsidiary / associate companies/ and the joint venture.

Part "A "Subsidiaries

(₹ in Crs.)

Sr. No	Name of the Company	Country of Incorporation	Reporting Currency	Reporting Period	% of Share	Rate of Exchange	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Details of Investments (except in case of investment in subsidiaries)			Turnover (Incl. Other Income)	Profit/ (Loss) before Tax	Provision for Current & Deferred Tax	Profit/ (Loss) after Tax	Proposed Dividend
											Shares	Mutual Funds	Total of Investment					
1	Hazarat & Company Private Limited	India	INR	1st April 2023 31st March 2024	100%	-	0.20	(0.17)	0.03	0.03	-	-	-	0.02	-	-	-	-
2	Afcons Corrosion Protection Private Limited	India	INR	1st April 2023 31st March 2024	100%	-	0.08	1.89	1.97	1.97	-	-	-	0.11	0.09	(0.02)	0.07	
3	Afcons Hydrocarbons Engineering Private Limited	India	INR	1st April 2023 31st March 2024	100%	-	0.10	1.37	1.47	1.47	-	-	-	0.08	0.07	(0.02)	0.05	-
4	Afcons Oil & Gas Services Private Limited	India	INR	1st April 2023 31st March 2024	100%	-	0.01	(0.04)	0.01	0.01	-	-	-	-	(0.01)	-	(0.01)	-
5	Afcons Construction Mideast LLC	Dubai, UAE	AED	1st April 2023 31st March 2024	100%	22.71	0.68	(98.31)	389.57	389.57	-	-	-	391.47	(7.60)	-	(7.60)	-
6	Afcons Gulf International Projects Services FZE (100 % subsidiary of AMIL)	Fujairah	AED	1st April 2023 31st March 2024	100%	22.71	2.27	2.22	4.50	4.50	-	-	-	-	(0.40)	-	(0.40)	-
7	Afcons Infrastructures Kuwait for Building, Roads and Marine Contracting WLL	Kuwait	KWD	1st Jan 2023 31st Dec 2023	49%	269.19	3.23	16.12	19.55	19.55	-	-	-	0.73	(0.28)	-	(0.28)	-
8	Afcons Mauritius Infrastructure Limited	Mauritius	EURO	1st April 2023 31st March 2024	100%	90.06	9.91	2.42	12.35	12.35	-	-	-	0.03	(0.10)	-	(0.10)	
9	Afcons Overseas Singapore Pte Limited	Singapore	SGD	1st April 2023 31st March 2024	100%	61.84	0.31	575.72	594.07	594.07	-	-	-	92.68	37.95	-	37.95	-
10	Afcons Infra Projects Kazakhstan LLP (Step down subsidiary)	Kazakhstan	KZT	1st April 2023 31st March 2024	100%	0.19	0.01	(1.71)	0.04	0.04	-	-	-	-	(0.74)	-	(0.74)	-
11	Afcons Overseas Project Gabon SARL (Step down subsidiary)	Gabon	XAF	1st Jan 2023 31st Dec 2023	100%	0.14	0.01	18.87	56.07	56.07	-	-	-	2.80	2.21	-	2.21	-

Notes:

1) Names of subsidiaries which are yet to commence operations - Nil
2) Indian rupee equivalent of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31st December 2023 / 31st March 2024.
3) The above statement does not include 28 controlled trust as the same is not as subsidiaries /associates/ joint venture company under Companies Act 2013.

Part "B" Joint Operations

Sr. No.	Name of Associates / Joint Operations	Afcons KPTL JV	Strabag AG Afcons Joint Venture	Ircon Afcons Joint Venture	Afcons Sener LNG Construction Projects Pvt. Ltd.	Afcons Gunanusa Joint Venture	Transton-nelstroy Afcons Joint Ven-ture	Dahej Standby Jetty Project Undertaking	Afcons Sibmost Joint Venture	Afcons Pauling Joint Venture	Afcons Vijeta PES JV	Afcons SMC JV	Afcons Vijeta JV	Afcons JAL JV	Afcons Infrastructure Ltd and Vijeta Projects and Infrastructures Ltd JV	Afcons Vijeta JV Zimbabwe	Afcons Hindustan JV
		Unincor-porated JO	Unincorpo-rated JO	Unincorpo-rated JO	Incorporated JO (Refer Note 3)	Unincorpo-rated JO	Unincorpo-rated JO	Unincorpo-rated JO	Unincorpo-rated JO	Partnership Firm (Refer Note 3)	Unincor-porated JO	Unincor-porated JO	Unincor-porated JO	Unincorpo-rated JO	Unincorporated JO	Unincorpo-rated JO	Unincorpo-rated JO
1	**Reporting Period**	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024
2	**Shares of Associate / Joint operations held by the company on the year end**																
	No.	-	-	-	4,900	-	-	-	-	-	-		-	-	-	-	-
	Amount of Investment in Joint operations	-	-	-	49,000	-	-	-	-	1,74,00,000	-		-	-	-	-	-
	Extend of Holding %	51%	40%	47%	49%	100%	99%	100%	100%	95%	100%	100%	100%	100%	100%	100%	100%
3	Description of how there is significant influence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Reason why the associate/Joint operation is not consolidated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crs)	28.18	10.20	0.87	(11.66)	(43.76)	(77.36)	1.05	110.78	1.74	(0.57)	0.10	19.33	1.19	(11.22)	32.39	3.10
6	**Profit / Loss for the year (₹ in Crs)**																
	i. Considered in Consolidation	13.10	(1.09)	0.64	(1.90)	(4.67)	2.90	0.22	114.37	-	(0.28)	(0.73)	11.91	0.78	(10.30)	37.83	2.86
	i. Not considered in Consolidation		-	-	-	-	-	-	-	-							

Notes:

1) Names of joint operations which are yet to commence operations - Afcons Sener LNG Construction Projects Pvt.Ltd.

2) Names of joint operations which have been liquidated or sold during the year - Nil

3) These entities are accounted in the Standalone/Consolidated Financial Statements in terms IND AS-110 & IND AS-111, however the same are not considered as subsidiaries /associates/ joint venture company under Companies Act 2013.

AFCONS INFRASTRUCTURE LIMITED

Registered office: “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai -400 053.
Tel.: 67191000; Website: www.afcons.com; CIN: U45200MH1976PLC019335

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	E-mail Id:
Folio No/ Client Id:	DP ID:
Registered address:	

I/We, being the member(s) of .... shares of the above named company, hereby appoint

1. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ………………………………………………………………………………….... Signature: ....

or failing him

2. Name: ………………………………………………………………………………….... E-mail Id: ....
   Address: ………………………………………………………………………………….... Signature: ....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Forty-Eighth (48th) Annual General Meeting of the Company, to be held on Tuesday the 13th August, 2024 at 4.00 p.m. at “Afcons House”, 16, Shah Industrial Estate, Veera Desai Rd., Azad Nagar, P.O., Andheri (West), Mumbai - 400 053 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt:
   a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024, the reports of the Board of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 together with the report of the Auditors thereon.
2. To declare dividend of 25% (i.e. ₹ 2.50/- per equity share of face value of ₹ 10/- each) for the financial year ended 31st March, 2024.
3. To declare dividend of 0.01% on convertible preference shares for the financial year 2023-24 (i.e. 1st April, 2023 until the date of the conversion of the convertible preference shares into equity shares).
4. To appoint a Director in place of Mr. Shapoorji Mistry (DIN: 00010114), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Giridhar Rajagopalan (DIN: 02391515), who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Branch Auditor of the Company.
7. To ratify the remuneration payable to the Cost Auditor for FY 2024-25
8. To appoint Mr. Sitaram Janardan Kunte (DIN:02670899) as an Independent Director of the Company
9. To appoint Mr. Anurag Kumar Sachan (DIN: 08197908) as an Independent Director of the Company
10. To appoint Ms. Rukhshana Jina Mistry (DIN: 08398795) as an Independent Director of the Company
11. To appoint Mr. Atul Sobti (DIN: 06715578) as an Independent Director of the Company
12. To appoint Mr. Cherag Sarosh Balsara (DIN: 07030974) as an Independent Director of the Company
13. To Issue Non-Convertible Debentures/Bonds/other Instruments on private placement basis up to ₹ 200 crores

Affix
Revenue
Stamp

Signed this .... day of 2024

Signature of Member(s)... Signature of Proxy holder(s) ....

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hour before the commencement of the Meeting.
2. For Resolution, Explanatory Statement and Notes, please refer to the notice of the Forty-Eighth (48th) Annual General Meeting.
3. A Proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated..

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ATTENDANCE SLIP

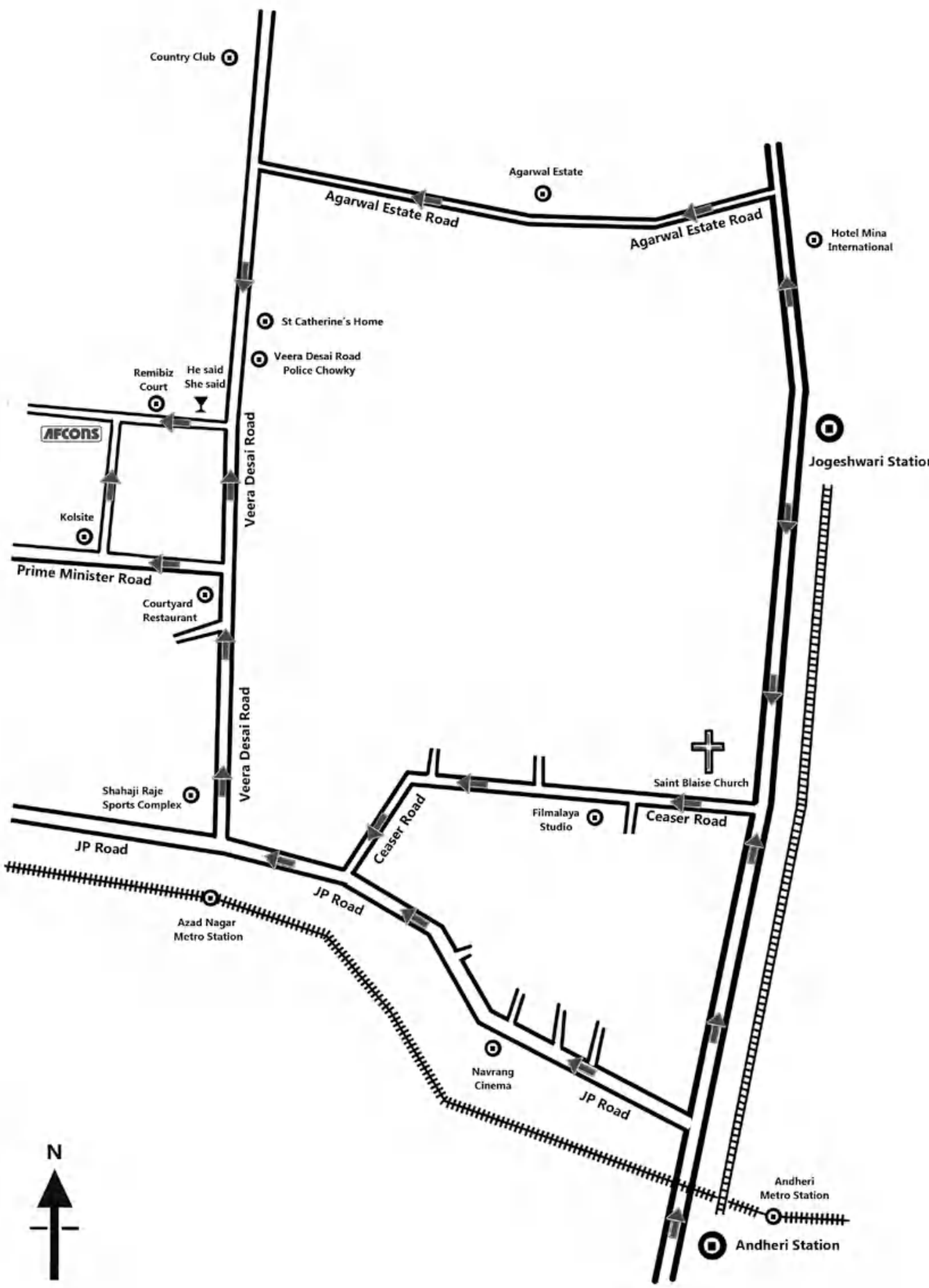
I hereby record my presence at the Forty-Second Annual General Meeting of the Company to be held at Afcons House, 16, Shah Industrial Estate, Veera Desai Road, Azad Nagar, P.O., Andheri (West), Mumbai- 400 053 on Tuesday the 13th August, 2024 at 4.00 p.m.

Full Name of the *Member/Proxy : ………………………………………………………………………..

Folio No. OR Client/DP ID No. : ………………………………......................... No. of Shares held : ………..………………………................

* strike out whichever is not applicable. SIGNATURE OF THE *MEMBER/PROXY

ROUTE MAP TO THE AGM VENUE



NOTES

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New Owendo International Port, Gabon

"Afcons has set an African benchmark, if not a global benchmark. This project was delivered in a record time of 18 months. I don't think any project in Africa has been delivered in such a short period of time. A big thanks to the Afcons team. You guys have really set a very high standard and benchmark, which is very difficult to replicate. Afcons did a great job in terms of quality, in terms of keeping time, and in terms of safety. Six million safe man hours completed with zero accidents."

Gagan Gupta
(Ex-President and Country Head, Olam International)

IEI Industry Excellence Award 2023

Civil engg & construction Review Award (CE & CR) – Chenab & Atal

Meydan Race Course, Dubai

• Afcons provided connectivity to the **world's largest race course stadium**

"We would like to take the opportunity to thank you and your team for the successful execution of 'Nad Al Sheba Race Course Development Project – Stage 2A' which facilitated the opening of Dubai Racing World Cub on time. It is greatly appreciated for a new contractor on Dubai to substantially finish the scope of work one month before the contract finish date."

Mattat Al Tayer
(Chairman and ED, RTA, Government of Dubai)

Tema to Mpakandan – Ghana (98km Railway Project)

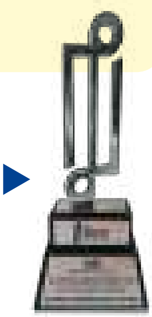
• **Largest railway project in Ghana** including longest railway bridge in the country over Lake Volta

"I would like to extend my sincere thanks to Afcons for carrying out significant work on the project. I am glad that steady advances have been made since my last visit here. The assurance from Afcons about completing the project on schedule was the most comforting statement I've heard in a long time."

His Excellency Nana Addo Dankwa Akufo-Addo
(President, Ghana)

National Project excellence award for chenab bridge

CII Industrial Innovation Awards 2023



MG Setu Bridge Over River Ganga, Patna

• **First time in India,** balanced cantilever bridge is being dismantled and converted into a simply-supported bridge • **India's longest steel bridge**

"I am delighted that the dream of revamping MG Setu has come into reality today. The Gandhi Setu is the communication lifeline between north and south Bihar. This is India's longest (5.6 km) steel bridge and 67,000 MT of steel (approx.) has been used in its refurbishment. I assure you that this iconic bridge will not only be important in the history of Bihar but also of the country as well."

Nitin Gadkari
(Minister Of Road Transport and Highways, India)

AFCONS INFRASTRUCTURE LIMITED

A Shapoorji Pallonji Group Company

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