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CIN : L74210DL1971PLC005712



TECHNOFAB ENGINEERING LIMITED

September 3, 2018

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

The BSE Limited
15th Floor, Phiroze Jeejeeboy Towers
Dalal Street
Mumbai - 400001

Symbol: TECHNOFAB

Security Code: 533216

Subject: Notice of 47th Annual General Meeting of the Company along with Annual Report for the financial year ended 31 March 2018 pursuant to Regulation 29 & 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In compliance with Regulation 29 & 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of 47th Annual General Meeting to be held on Friday, the 28th day of September 2018 at 10:30 A.M. at LPS Auditorium, PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 along with Annual Report for the financial year ended 31 March 2018.

This is for your information and further dissemination.

Yours Faithfully
For Technofab Engineering Limited

Suman Kumar Verma
Company Secretary & Compliance Officer
M. No. F7409



Encl: As above.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty Seventh Annual General Meeting of the members of Technofab Engineering Limited will be held on Friday, the 28th day of September 2018 at 10:30 A.M. at LPS Auditorium, PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi – 110 016 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt: (a) the audited financial statement of the Company for the financial year ended 31 March 2018 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended 31 March 2018 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:
 - (a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31 March 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
 - (b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended 31 March 2018 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."
2. **To declare Dividend on the Equity Shares for the financial year ended 31 March 2018 and in this regard, pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT a dividend at the rate of ₹ 2/- (Rupees Two only) per equity share of ₹ 10/- (Rupees Ten only) each fully paid-up of the Company be and is hereby declared for the financial year ended 31 March 2018 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended 31 March 2018."
3. **To appoint Mr. Avinash Chander Gupta (DIN: 00012077) as a Director liable to retire by rotation, who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Avinash Chander Gupta (DIN: 00012077), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."
4. **Ratification of appointment of Statutory Auditors of the Company and in this regard, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Audit and Auditors) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s G C Agarwal & Associates, Chartered Accountants, (Firm Registration No. 017851N) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2019.

RESOLVED FURTHER THAT pursuant to Section 40 of Companies (Amendment) Act, 2017 as notified by Government of India, Ministry of Corporate Affairs on 7 May 2018, M/s G C Agarwal & Associates, Chartered Accountants, (Firm Registration No. 017851N) which was appointed as Statutory auditors of the Company in the Forty Sixth Annual General Meeting held on 29 September 2017 to hold office for a period of five (5) consecutive years commencing from the financial year 2017-18 subject to ratification at every AGM shall continue his office as Statutory Auditors of the Company till the conclusion of Fifty First AGM to be held in the year 2022 without further ratification in subsequent AGMs except ratification being made in this AGM."

SPECIAL BUSINESS

5. **CONTINUATION OF OFFICE OF MR. PAWAN CHOPRA (DIN: 00417967) AS NON EXECUTIVE-INDEPENDENT DIRECTOR AFTER COMPLETION OF HIS AGE OF SEVENTY FIVE YEARS AND IN THIS REGARD TO PASS THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION**

"RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations, 2018") notified on 9 May 2018 vide Notification no. SEBI/LAD-NRO/GN/2018/10, consent be and is hereby accorded for continuation of the office of Mr. Pawan Chopra (DIN: 00417967) as a Non-executive-Independent Director of the Company till the completion of his present term i.e. up to 25th September, 2019 on the existing terms and conditions even after

attaining the age of seventy five years.”

6. TO APPROVE THE ISSUE OF EQUITY SHARES OF THE COMPANY BY WAY OF PRIVATE PLACEMENT TO QUALIFIED INSTITUTIONAL BUYERS FOR EXTENDED PERIOD AND IN THIS REGARD TO PASS THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof for the time being in force), the Companies (Prospectus and Allotment of Securities) Rules, 2014, all other applicable rules under the Companies Act, 2013, Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time (the “SEBI Regulations”), the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000, the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations 2004, as amended from time to time, and the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with each of the stock exchanges where the equity shares of face value of Rs. 10 each of the Company (the “Equity Shares”) are listed, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant and subject to requisite approvals, consents, permissions and/or sanctions of the Securities and Exchange Board of India (“SEBI”), the stock exchanges, the Foreign Investment Promotion Board, the Reserve Bank of India, the Ministry of Finance, the Ministry of Commerce and Industry and such other ministries / departments of the Government of India, and all such other authorities or institutions as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction, the proposal to create, offer, issue and allot from time to time, in one or more tranches, in the course of domestic/international offerings, with or without an over-allotment option, whether rupee denominated or denominated in foreign currency, such number of Equity Shares of the Company, (collectively referred to as “Securities”), for up to an aggregate amount of Rs. 100 Crore (or equivalent thereof in one or more foreign currency), inclusive of premium that may be fixed on such Securities to be issued to qualified institutional buyers (as defined under the SEBI Regulations), (hereinafter referred to as the “Investors”) whether shareholders of the Company or not, pursuant to a qualified institutions placement’ under Chapter VIII of the SEBI Regulations at such price, being not less than the price determined in accordance with the pricing formula specified under the SEBI Regulations (or such other formulae as may be prescribed by SEBI) or such lower price as may be permissible under the SEBI Regulations or notifications, considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s), be and is hereby approved.

RESOLVED FURTHER THAT such Securities shall be fully paid up and the allotment of such Securities shall be completed within 12 months from the date of the shareholders resolution approving the proposed qualified institutional placement of Equity Shares or such other time as may be allowed by the SEBI Regulations from time to time.

RESOLVED FURTHER THAT the Equity Shares so issued shall rank pari-passu in all respects including entitlement to dividend with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT pursuant to Regulation 85(1) of the SEBI Regulations, the Board be and is hereby authorized to, at its absolute discretion, offer a discount of not more than 5% to the price calculated in accordance with the pricing formula provided under Chapter VIII of the SEBI Regulations or such other discounts as may be permitted under the applicable laws.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

- a) the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- b) the relevant date for the determination of applicable price for the issue of the Securities shall be as per the regulations prescribed by the Securities and Exchange Board of India, the Reserve Bank of India and Government of India through its various departments or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations and such price shall be subject to appropriate adjustments in the applicable rules/regulations/statutory provisions.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board including (QIP committee constituted by it) be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to, finalization and approval of the preliminary as well as final offer document(s), determining the

form and manner of the issue, including the class of Investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, premium amount on issue, if any, rate of interest, redemption period, listings on the stock exchanges, execution of various transaction documents, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT subject to the applicable law, the Board be and is hereby authorized to delegate all or any of its powers to any Director(s) or Committee of Directors formed for the purpose of QIP/ Company Secretary / other persons authorized by the Board to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alteration(s) or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of Securities."

7. ISSUE OF DEBENTURES/BONDS/FCCB UPTO AN AMOUNT OF RS. 85 CRORE AND IN THIS REGARD TO PASS THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Sections 23, 42 and 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 framed there under including the applicable provisions of Securities and Exchange Board of India Act, 1992 including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2009, as amended, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also pursuant to the provisions of Foreign Exchange Management Act, 1999 including Foreign Exchange Management (Transfer and Issue of Securities by a Person Resident Outside India) Regulation, 2000, Foreign Exchange Management (Borrowing and lending in Rupees) Regulations, 2000, Master Direction on External Commercial Borrowings as amended together with such other regulations, as may be applicable, (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and also in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities, if any, approval be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall deemed to include any Committee thereof whether constituted or to be constituted to exercise its powers including powers conferred by this Resolution) to offer(s) or invitation(s) to subscribe, issue and allot, secured and / or unsecured, whether through a public issue and/ or on a private placement basis, one or more following types of debt instruments/ securities (hereinafter referred to as "the Said Debt Securities") or any combination thereof, in one or more series/tranches, aggregating upto Rs. 85 crores (Rupees Eighty Five Crores Only), whether rupee denominated or denominated in foreign currency, to any eligible person, including to Domestic / Foreign Investors / Institutional Investors/Foreign Institutional Investors / Foreign Portfolio Investors, non-resident Indians, Indian public, Individuals, Companies / Corporate Bodies (whether incorporated in India or abroad), Mutual Funds, Banks, Insurance Companies, Pension Funds, Venture Capital Funds, Financial Institutions, Trusts or other persons or entities, whether shareholders of the Company or not:

- Non-Convertible Debentures (NCD);
- Optionally Convertible Debentures (OCD);
- Fully Convertible Debentures (FCD);
- Partly Convertible Debentures (PCD);
- Bonds of any kind and description; and
- Foreign Currency Convertible Bonds (FCCB).

RESOLVED FURTHER THAT the Said Debt Securities be offered, invited for subscription, issued and allotted during the period of 1 (one) year from the date of declaration of results of this postal ballot and e-voting on such terms and conditions, and at such times, and at par or at such premium, as the Board may, from time to time determine and consider proper and most beneficial to the Company including as to when the Said Debt Securities be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT in the event the Said Debt Securities are proposed to be issued as FCCBs, subject to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipts Mechanism) Scheme, 1993 including any statutory modifications, re-enactments or amendments thereto from time to time and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of determining the floor price for conversion of the FCCBs into equity shares shall be the date of the meeting in which the Board or duly authorized committee of directors decides to open such issue after the date of this Resolution or

such other date as may be prescribed under applicable law.

RESOLVED FURTHER THAT without prejudice to the generality of the foregoing, issue of the Said Debt Securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of Securities of this nature.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, and execute all such deeds, documents, instruments and writings, and take all such steps as it may in its sole and absolute discretion deem necessary for the purpose of determining terms of issue of Said Debt Securities including the class of investors to whom the Said Debt Securities are to be issued, time, securities to be offered, the number of Said Debt Securities, tranches, issue price, tenor, interest rate, premium/discount and to settle all questions, difficulties and doubts that may arise in relation thereto."

8. ISSUE OF COMMERCIAL PAPER UPTO AN AMOUNT OF RS. 15 CRORE AND IN THIS REGARD TO PASS THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Regulations, 2014, Foreign Exchange Management Act, 1999, the Reserve Bank of India Act, 1934 (including any amendment, modification, variation or re-enactment thereof) Memorandum and Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof) to borrow from time to time, by issuance of Commercial Paper ("CPs") on a Private Placement Basis, with a view to augment the business of the Company, upto an amount not exceeding Rs. 15,00,00,000 (Rupees Fifteen Crore Only) under one or more disclosure documents, during the period commencing from the date of passing of this resolution until the conclusion of one year on such terms & Conditions as the Board may deem fit and appropriate for such series as the case may be.

RESOLVED FURTHER THAT the said limit of Rs. 15,00,00,000 (Rupees Fifteen Crore Only) shall be with in the overall borrowing limit approved by the members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, and execute all such deeds, documents, instruments and writings, and take all such steps as it may in its sole and absolute discretion deem necessary including of filing of return, documents and forms as may be required and to settle all questions, difficulties and doubts that may arise in relation thereto."

Registered office:
507, Eros Apartments
56, Nehru Place
New Delhi – 110019, India

CIN: L74210DL1971PLC005712
Email: info@technofabengineering.com

Place: New Delhi
Date: 31 August 2018

By order of the Board of Directors
For Technofab Engineering Limited

Suman Kumar Verma
Company Secretary
M.N.F7409

Notes:

- 1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting" or "AGM") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, in order to be effective however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**
- 2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 shareholder.**

3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and the Share transfer books of the Company shall remain closed from 22 September 2018 to 28 September 2018 (both days inclusive).
5. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. In terms of Section 152 of the Act, Mr. Avinash Chander Gupta, Director retire by rotation at the meeting and being eligible offer himself for re-appointment.
7. As a part of Green Initiative, soft copy of the Annual Report 2017-18 is being sent to all the members whose email address(es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same and physical copy to those shareholders whose email ids are not available with Company.
8. Members wishing to claim dividend, which remain unclaimed are requested to correspond with Registrar and Share Transfer Agent of the Company, Members are requested to note that the dividends not claimed within seven years from the date of transfer to the company's unpaid dividend account, will as per Section 124 of Companies Act, 2013 be transferred to the Investor Education and Protection Fund.
9.
 - (i) The Company has fixed 21 September 2018 as the "Record Date" for determining entitlement of members to dividend for the financial year ended 31 March 2018.
 - (ii) The Dividend on equity shares, if declared at the meeting as recommended by the Board, will be credited/ dispatched between 28 September 2018 and 4 October 2018 to those members whose name appear in the Register of Members on the Record Date. In respect of the shares held in dematerialised mode, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd (RTA) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
11. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or a RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF):
Pursuant to provisions of Sections 124 and 125 of the Act and other applicable provisions, if any, of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') all unclaimed / unpaid dividend remaining unclaimed / unpaid for a period of seven years from the date the date of transfer to Unpaid Dividend Account, were required to be transferred to the IEPF. Accordingly, the Company is in process of transferring Unpaid Dividend including interest etc. with respect to Dividend declared for the financial year 2010-11 to IEPF after completion of seven years from the date of transfer to Unpaid Dividend Account.
14. In case you have any query relating to the Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of AGM so as to enable the management to keep the information ready for replying at the meeting
15. Members may note that the Notice of Forty Seventh Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for the year 2017-2018 will also be available on the Company's Website www.technofabengineering.com for their download.
16. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M.

up to the date of the Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same, by post for free of cost. For any communication, the shareholders may also send request to the Company's investor email id investors@technofabengineering.com

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Pvt. Ltd.
18. Members are requested:
 - a. To notify the change of address, if any, to the Company immediately.
 - b. Members who have not registered their e-mail addresses so far as are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
 - c. To carry along their copy of the Annual Report at the Annual General Meeting for ready reference.
 - d. To produce at the entrance the enclosed attendance slip duly completed and signed for admission to the meeting place.

19. Voting through electronic means

- I. Pursuant to the provisions of Section 108 and other applicable Provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS2), issued by the Institute of Companies Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the General meeting ('remote e-voting').
- II. The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of CDSL as the Authorized Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of the general meeting).
- III. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 21 September 2018 only shall be entitled to avail the facility of remote e-voting as well as physical voting at the Annual General Meeting through ballot paper.
- IV. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- V. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- VI. The Board of Directors have appointed Mr. Suresh Kumar Gupta, Practising Company Secretary, (Membership No. FCS 5660), as the Scrutinizer to scrutinize the e-voting process.
- VII. Members are requested to carefully read the instructions for remote e-voting before casting their vote.

The 'Step-by-Step' procedure and instructions for casting your vote electronically are as under:

- I. The remote e-voting facility will be available during the following period after which the portal shall forthwith be disabled and shall not be available:

Commencement of remote e-voting	09:00 a.m. (IST) on Tuesday, 25 September 2018
End of remote e-voting	05:00 p.m. (IST) on Thursday, 27 September 2018

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21 September 2018 may cast their vote electronically.

- II. Log on to the e-voting website www.evotingindia.com
- III. Click on "Shareholders" tab.
- IV. Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- V. Next enter the Image Verification as displayed and Click on Login.
- VI. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) -Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. -Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- VIII. After entering these details appropriately, click on "SUBMIT" tab.
- IX. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XI. Click on the EVSN for the relevant Technofab Engineering Limited on which you choose to vote.
- XII. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XIV. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVII. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVIII. Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [https:// www.evotingindia.com](https://www.evotingindia.com) and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

XIX. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

XX. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

20. Poll at the Meeting

After the items of the Notice having been discussed, the Chairman will order poll in respect of the items. Poll will be conducted under the supervision of the scrutinizer appointed for remote e-voting and poll as stated above. A person, whose name is recorded in the register of members or in register of beneficial owners maintained by the depositories as on the cut-off date of 21 September 2018 and who have not casted their vote by remote e-voting, and being present in the AGM, either personally or through proxy, only shall be entitled to vote at the AGM.

21. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date being Friday, 21 September 2018.
22. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting, and thereafter unblock the vote cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, not later than 2 days of the conclusion of AGM, i.e. on or before 30 September 2018, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company, who shall countersign the same and the Chairman, shall declare the result forthwith.
23. The Scrutinizer's decision on the validity of the vote shall be final and binding.
24. The result declared along with the Scrutinizer's report shall be placed on the website of the Company (www.technofabengineering.com) immediately after the result is declared and shall simultaneously be forwarded to the Stock Exchanges where the Company's shares are listed.
25. The resolutions will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions.
26. Route Map with respect to the venue of Annual General Meeting is appearing elsewhere in this notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

Item No.5

Securities and Exchange Board of India ("SEBI") has notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations") on 9th May 2018. As per Regulation 17(1A) of the Listing Amendment Regulations which shall be applicable to the Company w.e.f. 1st April 2019, *"No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person."*

Mr. Pawan Chopra was appointed as Non-executive-Independent Director of the Company for a period of five years with effect from 25th September, 2014. His tenure of office as Director is going to expire on 24 September 2019 but he will attain the age of seventy five years on 22nd May, 2019 i.e. before the completion of his tenure as Director of the Company.

In view of above, Mr. Pawan Chopra can't continue as Director after 22 May 2019 unless a Special Resolution is passed to that effect in accordance with Regulation 17(1A) of the Amended Listing Regulations.

The Board of Directors upon the recommendation of the Nomination & Remuneration Committee ('the Committee') has decided to take an approval of shareholders by way of Special Resolution for continuation of his office as Director even after completion of the age seventy five years.

The statements pursuant to SEBI (LODR) Regulations, 2015 with respect to continuation of appointment of Mr. Pawan Chopra is given in the Corporate Governance Report.

It would be in the interest of the Company to continue to avail of his considerable expertise. Accordingly, approval of the members is sought for passing a Special Resolution for continuation of his directorship with the Company.

None of the other Directors and Key Managerial Personnel of the Company, or their relatives, except Mr. Pawan Chopra and his relatives are interested in this Special Resolution.

The Board recommends this Special Resolution for your approval.

Item No. 6

The Company in its Forty Sixth Annual General Meeting held on 29 September 2017 had obtained approval from shareholders by way of passing special resolution for issue of equity shares of the Company by way of private placement to Qualified Institutional Buyers for an amount of Rs. 100 Crore. As per Regulation 88 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Company is required to complete the process of allotment under qualified institutional placement ("QIP") within a period of twelve month from the date of passing resolution. In view of several factors including situation of the Company's business and market conditions, QIP may take place, if at all, only after several months. Keeping in mind such situation, the Board of Directors of the Company has decided to take fresh approval of shareholders for qualified institutional placement for same amount and with the same terms and conditions so that the Company may get extension upto one year from the date of passing this resolution. The proceeds from the QIP may be used for all or any of the following:

- (i) Augment the working capital requirement of ongoing & future projects of the Company;
- (ii) To finance acquisitions for enhancement of qualification; and
- (iii) To diversify its activities in other areas within the scope of object clause of Memorandum of Association of the Company.

To meet the requirements for the above purposes and for other general corporate purpose, as may be decided by the board of directors (hereinafter called the "Board" which expression shall include any committee of directors constituted / to be constituted by the Board) from time to time, it is proposed to seek authorization of the members of the Company in favour of the Board, without the need for any further approval from the members, to undertake the Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIBs") in accordance with the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI Regulations") and Section 42 of the Act, as amended, as set out in the Special Resolution of the accompanying Notice.

In view of the above, the Board may, in one or more tranches, issue and allot Equity Shares for an aggregate amount not exceeding Rs. 100 Crore (Rupees One Hundred Crore only).

The pricing of the Equity Shares that may be issued to QIBs pursuant to SEBI Regulations shall be freely determined subject to such price not being less than the floor price calculated in accordance with Chapter VIII of SEBI Regulations. The Company may offer a discount of not more than 5% to the price calculated in accordance with the pricing formula provided under Chapter VIII of the SEBI Regulations or such other discounts as may be permitted under the applicable laws.

The price of Equity Shares to be issued, as may be decided by the Board, will be in accordance and compliance with the provisions of SEBI Regulations.

For reasons aforesaid, an enabling Special Resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalize the terms of the issue in accordance with SEBI Regulations. The Equity Shares issued pursuant to the offering would be listed on the Stock Exchanges on which the Company's existing Equity Shares are listed. The issue/allotment of Equity Shares would be subject to receipt of regulatory approvals, if any by the Company.

Section 62(1)(c) of the Act provides that, inter-alia, such further Equity Shares may be offered to any persons, whether or not such persons are existing holders of equity shares of the company as on the date of offer, by way of a Special Resolution passed to that effect by the members of the Company. Accordingly, consent of the members is being sought, pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 to issue and allot Securities as stated in the Special Resolution.

In connection with the proposed issue of Equity Shares, the Company is required, inter alia, to prepare various documentations and execute various agreements.

Accordingly, it is also proposed to authorize the Board (including certain officers of the Company) to negotiate, finalize and execute such documents and agreements as may be required and do all such acts, deeds and things in this regard for and on behalf of the Company.

The detailed terms and conditions of the issue will be determined by the Board in consultation with the lead manager(s) and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The Board recommend the Special Resolution set out to the accompanying Notice at Item No. 6 for approval of the members.

None of the directors, key managerial personnel of the Company or their relatives are, in any way, concerned or interested in the said Special Resolution, except to the extent of their equity holdings in the Company / Institution in which they are directors or members.

Item No. 7

The Company has a good value of order backlog and it is required to infuse fund to the working capital of the Company so that it may be used for the execution of the ongoing and future projects as well as for other general corporate purposes. In this connection, the Board of Directors of the Company proposes to raise fund by way of issue of one or more following types of debt instruments/ securities (hereinafter referred to as "the Said Debt Securities") aggregating upto Rs. 85 crores (Rupees Eighty Five Crores Only):

1. Non-Convertible Debentures (NCD);
2. Optionally Convertible Debentures (OCD);
3. Fully Convertible Debentures (FCD);
4. Partly Convertible Debentures (PCD);
5. Bonds of any kind and description; and
6. Foreign Currency Convertible Bonds (FCCB).

While no specific instrument(s) of Securities has been identified at this stage, the Board may opt for an appropriate instrument in the best interest of the Company and such issue shall be subject to applicable provisions of Companies Act, 2013 and rules made there under from time to time, SEBI laws and rules and regulations made there under from time to time, Memorandum and Articles of Association of the Company and all other applicable laws and legislations.

Pursuant to the provisions of Sections 23, 42 and 71 of the Companies Act, 2013 and its rules framed there under, a company offering or making an invitation to subscribe the Said Debt Securities is required to obtain the prior approval of the shareholders by way of a Special Resolution.

In connection with above, the Company vide Postal Ballot Notice dated 5 March 2018 had obtained approval of shareholders by way of passing Special Resolution on 5 April 2018. However such resolution has validity of one year only. Keeping in view of the current business environment and market position, the issue of Said Debt Securities may happen after 5 April 2018 i.e. the date of expiry of the validity of the special resolution passed on 5 April 2018. In view of the same, it would be therefore, prudent for the Company to have another requisite enabling approvals in place for meeting the fund requirements. In this connection an authority from shareholders by way of passing Special Resolution is recommended by the Board of Directors as set out in Item No. 7 of this Notice.

None of the Directors including Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said Special Resolution.

Item No. 8

Section 42 and other applicable provisions, if any of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Regulations, 2014 prescribe the provisions subject to which a Company is allowed to issue Securities on Private Placement basis. Every Proposed offer of securities or invitation to subscribe securities on private placement basis requires prior approval of members of the Company by way of Special Resolution.

The Company has proposed the borrowing through the issue of Commercial Papers ("CPs") on Private Placement basis, upto an amount not exceeding Rs. 15,00,00,000 (Rupees Fifteen Crore Only). The Said limit shall be with in Section 180(1) (C) of the Companies Act, 2013.

The pricing of CPs primarily depend upon the then prevailing market conditions and the regulatory scenario. The pricing for each of the issuance would be approved by the Board of Directors.

None of the Directors including Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said Special Resolution.

In connection with above, the Company vide Postal Ballot Notice dated 5 March 2018 had obtained approval of shareholders by way of passing Special Resolution on 5 April 2018. However such resolution has validity of one year only. Keeping in view of the current business environment and market position, the issue of Said Debt Securities may happen after 5 April 2018 i.e. the date of expiry of the validity of the special resolution passed on 5 April 2018. The Board of Directors of the Company accordingly recommends, in the interest of the Company, the Resolution to be passed as a Special Resolution as set out in Item No. 8 of the accompanying Notice for approval of the members.

You are requested to communicate your assent or dissent for the aforesaid resolution(s), in accordance with the instructions set out herein.

Proxy form

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]


TECHNOFAB ENGINEERING
 L I M I T E D

Registered Office: 507 Eros Apartments, 56, Nehru Place, New Delhi – 110019
 investors@technofabengineering.ocm | www.technofabengineering.com
 Tel : + 91-11-26411931/5961, Fax: + 91 -11-26221521

47th Annual General Meeting – September 28, 2018

Name of the member(s)

Registered address

Email

Folio no. / Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

DP ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I / We, being the member(s) holding shares of the above named company, hereby appoint:

Name : Email :

Address :

Signature :

or failing him / her

Name : Email :

Address :

Signature :

or failing him / her

Name : Email :

Address :

Signature :

(contd...)

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 47th Annual General Meeting of the Company, to be held on Friday, September 28, 2018, at 10:30 A.M. LPS Auditorium, PHD Chamber of Commerce and Industry PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi – 110 016 and at any adjournment thereof in respect of such resolutions are indicated below:.

Resolution Number	Resolutions	Vote <i>(Optional see Note 2)</i>		
		For	Against	Abstain
Ordinary business				
1	To consider and adopt: (a) the audited financial statement of the Company for the financial year ended 31 March 2018 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended 31 March 2018 and the report of Auditors thereon. (Ordinary Resolution)			
2	To declare Dividend on the Equity Shares for the financial year ended 31 March 2018. (Ordinary Resolution)			
3	To appoint Mr. Avinash Chander Gupta (DIN: 00012077) as a Director liable to retire by rotation, who retires by rotation. (Ordinary Resolution)			
4	Ratification of appointment of Statutory Auditors of the Company. (Ordinary Resolution)			
Special business				
5	Continuation of office of Mr. Pawan chopra (DIN: 00417967) as non executive-independent director after completion of his age of seventy five years. (Special Resolution)			
6	To approve the issue of equity shares of the Company by way of private placement to qualified institutional buyers. (Special Resolution)			
7	Issue of Debentures/Bonds/FCCB upto an amount of Rs. 85 Crore. (Special Resolution)			
8	Issue of Commercial Paper upto an amount of Rs. 15 Crore. (Special Resolution)			

Signed this day of 2018.

Affix revenue
stamp of not
less than
₹ 1

.....
Signature of the member(s)

.....
Signature of the proxy holder(s)

Notes :

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

Registered Office

507 Eros Apartments, 56 Nehru Place

New Delhi - 110 019

Tel : +91-11-2641-1931 / 2641-5961

Fax : +91-11-2622-1521

Email:investors@technofabengineering.com

CIN: L74210DL1971PLC005712

**TECHNOFAB ENGINEERING**
L I M I T E D

Forty Seventh Annual General Meeting to be held on Friday, September 28, 2018 at 10:30 A.M. at
LPS Auditorium, PHD Chamber of Commerce and Industry PHD House, 4/2 Siri Institutional Area, August
Kranti Marg, New Delhi – 110 016

ATTENDANCE SLIP

ENV NO.:-

DPID-CLID /Folio No. -

Name of Shareholder (s) -

Address -

I / We certify that I am / we are Member(s) / Proxy of the Member(s) of the Company holding shares.

I hereby record my presence at the Forty Seventh Annual General Meeting of the Company to be held on Friday, September 28, 2018 at 10:30 a.m. at LPS Auditorium, PHD Chamber of Commerce and Industry PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi – 110 016.

.....
Signature of Member / Proxy**Notes:**

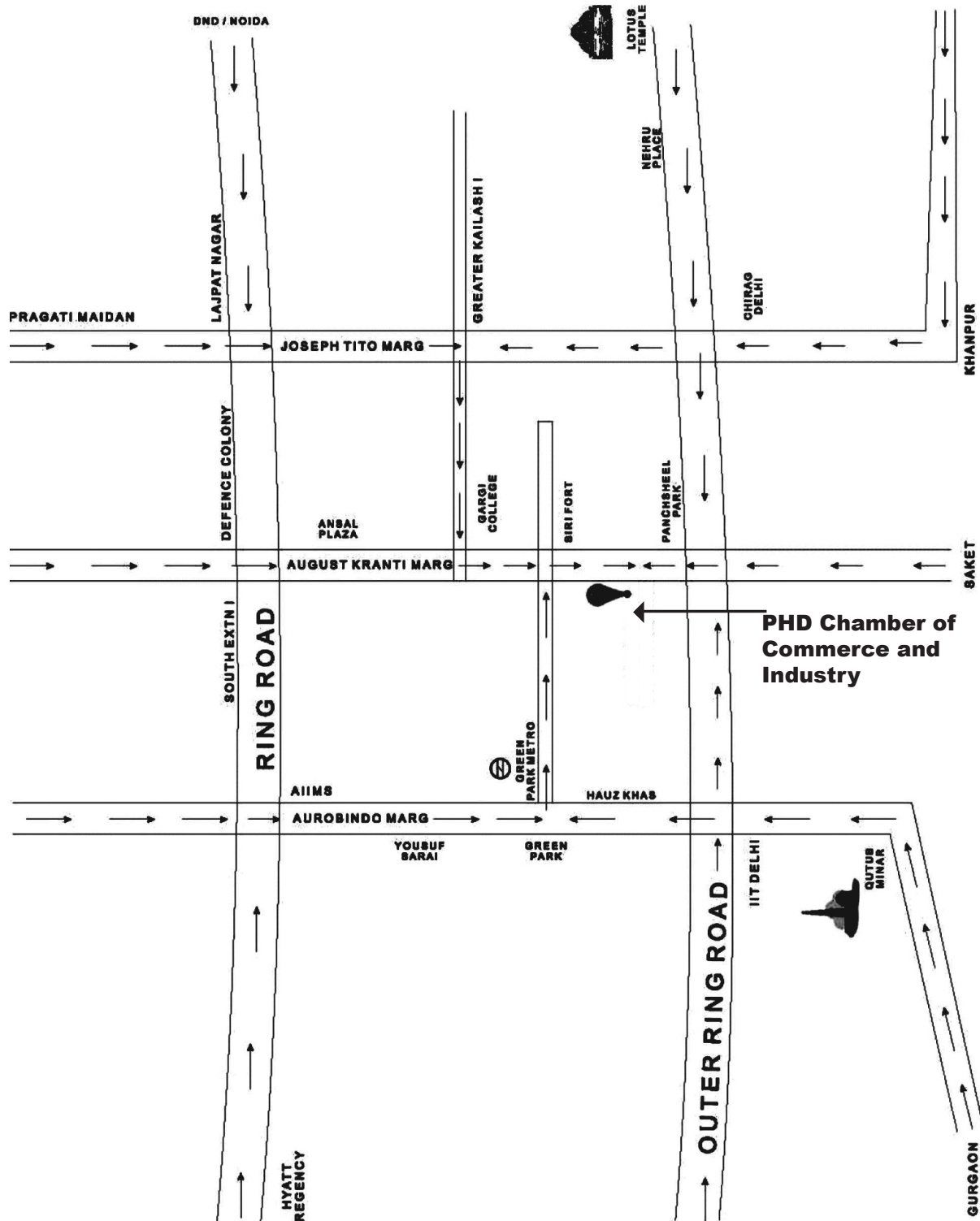
1. A member or his duly appointed Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance.
2. Name of the Proxy in Block letters..... (in case the Proxy attends the meeting)
3. Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) ID. No.
4. Shareholders/proxy holders desiring to attend the meeting may bring his/her copy of Annual Report for reference at meeting.

Electronic Voting Particulars

Electronic Voting Sequence No. (EVSN)	User ID	PAN/Sequence Number
180829026		

Note: Please read the instructions printed under the Note No. 19 to the Notice dated August 31, 2018 of the Forty Seventh Annual General Meeting. The voting period starts from 9:00 a.m. (IST) on Tuesday, September 25, 2018 and ends at 05:00 p.m. (IST) on Thursday, September 27, 2018. The voting module shall be disabled by CDSL for voting thereafter.

Route Map-Venue of Annual General Meeting 2018





Annual Report 2017-18



**TECHNOFAB ENGINEERING
L I M I T E D**

An Engineering Procurement & Construction Company

EPC Services
Thermal Power (BOP)
Nuclear Power (BOP)
Water & Waste Water
Electrical Distribution/Substation
Oil & Gas

— Pursuit of Excellence Through Customer Satisfaction —



PAC Dosing System at Sumbawanga WTP, Tanzania



Pipeline at Tema oil Refinery, Ghana



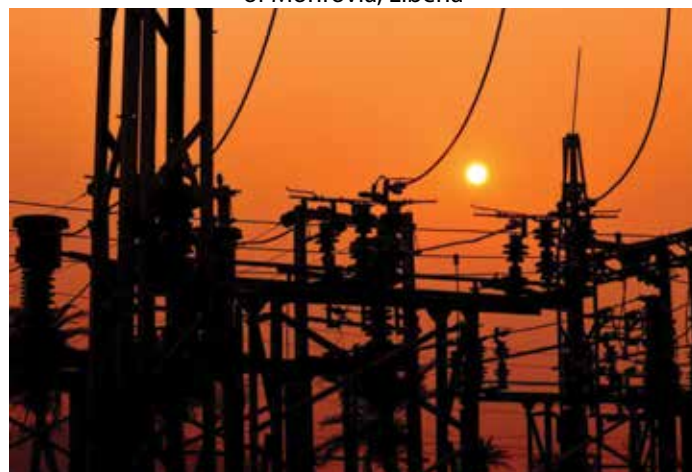
Sewage Treatment Plant, Fiji



Piling under the Sea Bed at Fuel Unloading Facility at Free Port of Monrovia, Liberia



100KL Elevated Storage Reservoir Jawai, Rajasthan, India



33 KV Sub-Station, Banka, Bihar, India

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CORPORATE INFORMATION

Mr. Avinash Chander Gupta	Managing Director		
Mr. Arjun Gupta	Whole-time Director		
Mr. Arun Mitter	Independent Director		
Mr. Pawan Chopra	Independent Director		
Ms. Anju Banerjee	Independent Director		
Audit Committee		CSR Committee	
Mr. Arun Mitter	Chairman	Mr. Avinash Chander Gupta	Chairman
Mr. Pawan Chopra	Member	Mr. Arjun Gupta	Member
Ms. Anju Banerjee	Member	Mr. Pawan Chopra	Member
Mr. Arjun Gupta	Member	Ms. Anju Banerjee	Member
Stakeholders Relationship Committee		Nomination & Remuneration Committee	
Ms. Anju Banerjee	Chairperson	Mr. Pawan Chopra	Chairman
Mr. Arun Mitter	Member	Mr. Arun Mitter	Member
Mr. Pawan Chopra	Member	Ms. Anju Banerjee	Member
CIN		Bankers	
L74210DL1971PLC005712		Bank of India Bank of Baroda State Bank of India AXIS Bank IDBI Bank Limited United Bank of India	
Registered Office		Corporate Office	
507 Eros Apartments, 56 Nehru Place New Delhi-110019 Tel: +91-11-26411931, 26415961 Fax: +91-11-26221521 Email: info@technofabengineering.com		Plot No 5, Sector-27C, Mathura Road Faridabad-121003, Haryana, Tel: +91-129-227-0202, 227-5310 Fax: +91-129-227-0201 Email: info@technofabengineering.com	
Subsidiary Companies		Registrar and Transfer Agent	
- M/s Arihant Flour Mills Private Limited - M/s Woodlands Instruments Private Limited - M/s Rivu Infrastructural Developers Private Limited		M/s Link Intime India Pvt. Ltd. 44, Community Centre, 2 nd Floor Naraina Industrial Area, Phase-I Near PVR Naraina New Delhi-110028	
Chief Financial Officer		Website	Statutory Auditors
Mr. Sandeep Kumar Vij		www.technofabengineering.com	M/s G.C. Agarwal & Associates Chartered Accountants 240, Ghalib Apartments Parwana Road Pitampura Delhi 110034
Company Secretary & Compliance Officer		Investor Services E-Mail ID	
Mr. Suman Kumar Verma		investors@technofabengineering.com	

Chairmans Message

Dear Members,

It gives me a great pleasure to welcome you all to the Forty Seventh Annual General Meeting of Technofab Engineering Limited. On behalf of Technofab Engineering's Board of Directors, I thank each one of you for joining us.

I take this opportunity to brief you about your Company's performance amongst other things.

Amid the positive macro environment, and led by our continuing efforts, your Company's operating results for FY18 have shown a distinct improvement over the previous years during which, the Company has had to deal with a stressful economic environment. This year's performance has reinforced our belief that your Company has what it takes to successfully deliver both top line and bottom line growth.

Needless to say, there are constraints related to the nature of the Company's business, but given the substantial order backlog and good L1 position, we expect this growth trend to continue in the coming years. Going forward, your Company will continue to focus on its core strength of efficient project management of Turnkey Engineering, Procurement and Construction projects in the water, electrical and industrial sectors both in India and Overseas and at the same time effectively managing working capital cycles.

I would also like to thank all stakeholders, including our vendors, customers, bankers, financial institutions, Central and State government bodies, foreign Government, dealers, business associates, for their continued trust and support.

Sincerely,

Avinash C Gupta
Chairman

BOARDS' REPORT

Dear Members,

The Directors have pleasure in presenting the Forty Sixth Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended 31 March 2018.

FINANCIAL HIGHLIGHTS

The financial results of the Company for the year ended 31 March 2018 are summarized below:

	(₹ in Million)	
Particulars	2017-18	2016-17
Revenue From Operations	4348.50	4021.71
Other Income	23.57	13.35
Total revenue	4372.07	4035.06
Earnings before Interest (Finance Costs), Tax, Depreciation and Amortisation (EBITDA)	546.59	395.07
Less: Finance costs	295.83	204.44
Profit/ (Loss) before Tax, Depreciation and Amortisation	250.76	190.63
Less: Depreciation and Amortisation expenses	41.43	49.27
Profit/ (Loss) before Tax (PBT)	209.33	141.36
Less: Tax expenses [net of deferred tax effect and Tax adjustment for Earlier years (net)]	73.83	52.80
Profit/ (Loss) after taxation (PAT)	135.50	88.56
Other Comprehensive Income for the year	1.75	1.19
Total Comprehensive Income for the year	137.25	89.75
Retained Earnings- Opening Balance	1063.33	999.77
Add: Profit for the Year	135.50	88.56
Less: Transferred to General Reserve	40.00	25.00
Retained Earnings- Closing Balance	1158.83	1063.33

DIVIDEND & APPROPRIATIONS

Your Directors are pleased to recommend a dividend of ₹ 2/- per equity share (i.e. @ 20%) on the Equity Shares of face value of ₹ 10/- each for the Financial Year ended March 31, 2018, subject to the approval of shareholders at the ensuing Annual General Meeting which would result in cash outflow of ₹ 25.25 Million as mentioned below:

(₹. in Million)

Particulars	Amount
Proposed Dividend on Equity Shares	20.98
Dividend Distribution Tax (Including Surcharge and Education Cess) on Proposed Dividend	4.27
Total Cash Outflow	25.25

REVIEW OF BUSINESS OPERATIONS

Your Company is focussed on improving operational efficiencies and these efforts have started to reap in the benefits. During the current year, the Company clock an operational profit (EBITDA) of ₹ 54.66 crore compared to that of ₹ 39.51 crore reported in previous year and the revenues also grew by 8.35% to ₹437.21 crore and this trend is expected to continue and gradually accelerate in years to come. The profit after tax in the period under review was ₹135.50 Million as compared to ₹88.56 Million in the previous year, which represents an excellent growth of 53% as compared to the previous year. The Sectoral wise business review/operational performance are detailed in Management Discussion & Analysis.

The net worth of the Company, which has been steadily increasing, stands at ₹278 Crore as on 31st March 2018.

SUBSIDIARIES

The Company has three subsidiaries viz. Arihant Flour Mills Private Limited, Woodlands Instruments Private Limited and Rivu Infrastructural Developers Private Limited which are wholly owned by the Company. These companies are much smaller and they don't come under the category material subsidiary.

The financial statements of the subsidiaries and related information are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company. (www.technofabengineering.com).

As required under the provisions of Section 129 of the Companies Act, 2013, a statement containing the salient features of financial statements of all subsidiaries in Form AOC-1 is annexed with the financial statements as "Annexure [A]" and forms part of this Report which covers the performance and financial position of the subsidiary companies.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the financial year 2017-18 have been prepared on the basis of audited financial statements of the Company and its subsidiaries, as approved by their respective Board of Directors keeping in view the provisions of Section 129 of the Companies Act, 2013, applicable Accounting Standards and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

RESERVES

During the year, the Board of Directors of your Company has decided to transfer ₹ 40 Million which amounts to 29.52 % of the profits after tax, to the General Reserves of the Company.

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

No material changes and commitments affecting the

financial position of the Company between the end of financial year viz. 31 March 2018 and the date of this Report have occurred.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the Company.

CHANGES IN SHARE CAPITAL

During the year under review, there was no change in the total share capital of the Company.

UNPAID / UNCLAIMED DIVIDEND

Pursuant to the circular issued by Ministry of Corporate Affairs (MCA) with respect to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012 vide G.S.R. 342 (E) dated May 10, 2012, your Company has uploaded on its website www.technofabengineering.com under Investor Relation Section as well as on the Ministry's website the information regarding Unpaid / Unclaimed Dividend amount lying with the Company as on 29 September, 2017 (date of last Annual General Meeting).

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, your Company was not required to transfer unclaimed / unpaid dividend to the Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to the provisions of Section 125 of the Companies Act, 2013

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors and its composition

During the year under review, there is no change in the Board of Directors of the Company except resignation of Mr. Nakul Gupta w.e.f. closing hours of 8th March 2018. As on date, the Company has five Directors with an Executive Chairman. Of the 5 Directors, 2 are Executive Directors and 3 are Non-Executive Independent Directors including one Woman Director. The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Director on the Board is a Director in more than 10 Public Companies or a member of more than 10 Committees or a Chairman of more than 5 Committees across all listed companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other Public Limited Companies as on 31st March, 2018 have been made by all the Directors of the Company.

None of the Company's Directors are disqualified from being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013.

Directors liable to retire by rotation

As per the provisions of the Companies Act, 2013, Mr. Avinash C Gupta retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment in the ensuing Annual General Meeting.

The details of Director being recommended for re-appointment as required under Regulation 36 of Listing Regulations is contained in the accompanying Notice convening ensuing Annual General Meeting of the Company.

Key Managerial Persons (KMPs)

In terms of the provisions of Section 203 of the Act, Mr. Avinash C. Gupta, Managing Director; Mr. Arjun Gupta, Whole-time Director, Mr. Sandeep Kumar Vij, Chief Financial Officer and Mr. Suman Kumar Verma, Company Secretary are the Key Managerial Personnel of your Company.

During the period under review, there is no change in the Key Managerial Personnel (KMP) except resignation of Mr. Nakul Gupta from the office of Whole-time Director.

None of the Whole-time Key Managerial Personnel (KMP) of the Company is holding office in any other Company as a Key Managerial Personnel.

Further, none of the Directors / KMP of the Company is disqualified under any of the provisions of the Companies Act, 2013 and relevant Regulations of Listing Regulations

Declaration by Independent Directors

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) and Regulation 25 of the Listing Regulations.

AUDIT COMMITTEE

The Audit Committee comprises of Mr. Arun Mitter, Mr. Pawan Chopra, Ms. Anju Banerjee, and Mr. Arjun Gupta. The Committee comprises of three of Independent Directors and one Executive Director with Mr. Arun Mitter as the Chairman. The Chief Financial Officer and the Auditors of the Company are the permanent invitees of the Committee.

Further details relating to the Audit Committee are provided in the Corporate Governance Report, forming part of this Annual Report. During the year under review, all recommendations made by the Audit Committee were accepted by the Board.

QUALITY (QMS), HEALTH, SAFETY AND ENVIRONMENT (HSE)

The Company believes that "Quality is a state of mind" and is committed to a continuous ongoing initiative in this direction and is committed "To provide and maintain safe and healthy work environment for all personnel within the organization and to continually improve in safe working conditions to make incident free work zone." Accordingly the Company has always laid emphasis on HSE and made efforts to evolve this as a critical brand differentiator for the Company in the market place. This has been possible due to the dedicated work put in by the team members and support provided by all the employees of the organization. The Company is committed towards ensuring safe working and eliminating hazards and in protecting the environment including reduction in paper & power consumption and proper disposal of construction & electronic waste.

The Company is accredited to ISO 9001:2004 and ISO 14001:2004 for Health, Safety and Environment and OHSAS 18001:2007 for Occupational Health and Safety Assessment series. The Company is in the process of merging these three standards into single document i.e. IMS (Integrated Management System) that will combine all the three standards into single standard based on the latest revisions of 2015 standards.

MANAGEMENT DISCUSSION AND ANALYSIS INCLUDING BUSINESS REVIEW

As stipulated under Regulation 34 of the Listing Regulations, the Management Discussion and Analysis for the period under review has been given separately and forms an integral part of this Report which includes a detailed business review of the Company.

PUBLIC DEPOSITS

During the financial year 2017-18, the Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE GOVERNANCE REPORT

In compliance with the provisions specified in the Listing Regulations, a separate report on Corporate Governance along with the requisite certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid regulations forms an integral part of this Report. The Auditors' Certificate does not contain any qualification, reservation and adverse remark.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and Part D of Schedule II as specified in the Listing Regulations, the Board of Directors has formulated the Nomination and Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a Director and other matters have been outlined in the Corporate Governance Report which forms part of this Report.

The Managing Director/Whole-time Directors of the Company do not receive remuneration from any of the subsidiaries of the Company.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of the Company is set out in "Annexure [B]". In accordance with the provisions of Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms are set out in "Annexure [B]" which forms part of this Report.

However, in line with the provisions of Section 136(1) of

the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information. Any Member, who is interested in obtaining these particulars, may write to the Company Secretary at the Registered Office of your Company.

ANNUAL PERFORMANCE EVALUATION OF BOARD AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations including circular issued by SEBI, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee based on need and new compliance requirements.

In line with the abovementioned framework, the Independent Directors at their separate meeting held on 28 February 2018 without participation of the Non-Independent Directors and Management, have considered and evaluated the Boards' performance and performance of the Chairman, Non-Independent Directors and the Board as a whole. The Independent Directors in the said meeting have also assessed the quality, quantity and timeliness of the flow of information between the Company Management and the Board.

During the period under review, the Board in its meeting held on 20 May 2017, have evaluated the performance of each of the Independent Directors without participation of the Director who was subject to evaluation.

The details of evaluation process of the Board, its Committees, Chairman and individual Directors, including Independent Directors have been provided under the Corporate Governance Report which forms part of this Report.

MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year, six (6) Board Meetings and five (5) Audit Committee meetings were held and the dates of the Board Meetings are 20 May 2017, 29 August 2017, 14 September 2017, 13 October 2017, 12 December 2017 and 9 February 2018. The details of Board Meetings including other Committee Meetings are provided in the Corporate Governance Report which forms part of this Annual Report. The maximum interval between the

two Board Meetings/ Audit Committee Meetings did not exceed 120 days as prescribed under the Companies Act, 2013 and the Listing Regulations.

The Board of Directors have accepted all the recommendations made by the Audit Committee.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Internal Complaint Committee ("ICC") has been set up to redress complaints received regarding sexual harassment. During the period under review, no complaint was received by the ICC.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Company is in absolute compliance with all notified Secretarial Standards as issued by the Institute of Company Secretaries of India (including amendment(s) and subsequent modification(s) therein).

COMPLIANCE WITH THE LISTING AGREEMENT

The Company has listed its securities on both Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). The Company is in compliance with the Regulations of SEBI (LODR) Regulations, 2015 applicable to the Company in accordance with the listing agreements entered with both the Stock Exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

The audited accounts for the year under review are in conformity with the requirements of the Act and the applicable Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations. Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31 March 2018, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are

reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2018 and of the profit and loss of the Company for the financial year ended 31 March 2018;

- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a 'going concern' basis;
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) 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.

AUDITORS AND AUDITORS' REPORT:

I. Statutory Auditors

At the Forty Sixth Annual General Meeting ("AGM") of the Company held on 29 September 2017, M/s. G.C. Agarwal & Associates, Chartered Accountants (Firm Registration No. 017851N) were appointed as the Statutory Auditors of the Company to hold office for a period of five (5) consecutive years commencing from the financial year 2017-18 subject to ratification at every AGM on a remunerations including terms of payment to be fixed by the Board of Directors on the recommendation of the Audit Committee. However as per the provisions of Section 40 Companies (Amendment) Act, 2017 which is now in force vide MCA notification No. S.O. 1833 (E) dated 7 May 2018, first proviso of Section 139(1) of the Companies Act, 2013 with respect to ratification of appointment of Statutory Auditors at every AGM has been done away with. In view of the fact that the appointment of auditors in the forty sixth annual general meeting was subject to ratification at every AGM, a resolution is proposed to be passed at the ensuing Forty Seventh AGM to the effect that no further ratification in any forthcoming AGM is required for continuation of his office during the remaining period of his tenure apart from ratification of his appointment in this AGM.

The Auditors' Report for the financial year 2017-18, does not contain any qualification, reservation, adverse remark or disclaimer.

II. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Naresh Verma & Associates, Company Secretaries to conduct the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure [C]" to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except following three observations. The explanation/ comments by the Board are mentioned hereunder against each of the observations:

Sl. No.	Observation of Secretarial Auditors	Explanation/ Comments of the Board
1.	The expenditure made by the company towards CSR activities during the year ended 31.03.2018 was less than the prescribed amount.	The Company expenditure under CSR has been deferred because of tightness of cash flows and resultant stretched liquidity.
2.	There was delay in filing particulars of satisfaction of charge which was condoned by office of Regional Director, Northern Region during the year and cost of Rs. 12800 each imposed by said office was duly paid by the company.	The documents with respect to satisfaction of charge was provided very late by the Bank.
3.	Mr Arjun Gupta, Director was disqualified under section 164(2)(a) of the Companies Act, 2013 for part of the year due to his name being published in the List notified by Ministry of Corporate Affairs and his DIN was deactivated. The disqualification was stayed vide Hon'ble High Court Order dated 24.10.2017 and 01.11.2017 in Writ Petition WP(C) No. 9278/2017. Based on the said Order, the DIN of Mr Arjun Gupta was reactivated by the Registrar of Companies.	The publication of the name of Mr. Arjun Gupta in the list of disqualified Directors was erroneous interpretation of Section 164 and 167 of the Act and was violation of principle of natural justice, Article 14 and 19 of Constitution of India. In view of the foregoing, the Writ filed by Mr. Arjun Gupta and others (the "Petitioners") was allowed by Hon'ble High Court of Delhi in favour of the Petitioner.

III. Cost Auditors

The Company is not engaged in the production of such goods or services which are prescribed by the Central Government, for this reason the Company is not required to maintain cost records specified under sub section (1) of section 148 of the Companies Act, 2013 and to appoint Cost Auditors.

ANNUAL RETURN OF THE COMPANY

In terms of the provisions of Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of your Company for the financial year ended 31st March, 2018 is given in "Annexure- [D]" and can also be viewed on at www.technofabengineering.com

REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditors and/or Secretarial Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the rules framed thereunder either to the Company or to the Central Government.

DISCLOSURES BY SENIOR MANAGEMENT

Senior Management have made disclosures of interest to the Board relating to all material Financial & Commercial transactions entered between Company and third parties. None of the Senior Managers have been found to be interested in such transactions.

RELATED PARTY TRANSACTIONS

The Company has formulated a Related Party Transactions Policy, which has been uploaded on its website at (www.technofabengineering.com). It has been the endeavor of the Company to enter into related party transaction on commercial and arms' length basis with a view to optimize the overall resources of the group. All transaction entered into with Related Parties during the year were in the ordinary course of business of the Company and at arms' length basis. The Company has not entered into any contract/arrangement/transactions with related parties which could be considered material in accordance with the Policy of the Company on the materiality of related party transactions.

The details of the related party transactions as required under IND AS-24 read with the provisions of Listing Regulations, are set out in Note 46 to the standalone financial statements forming part of this Annual Report.

In accordance with Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 the particulars of contract or arrangements with related parties, referred to in Section 188 of the Act, if any, in the prescribed Form AOC-2 are attached with this report as “Annexure-[E]”.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In accordance with Section 134(3)(g) of the Companies Act, 2013, the particulars of Loans, Guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RISK MANAGEMENT

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Through the periodical risk report processes which are based upon Business Environment, Operational Controls and Compliance Procedures, the Company aims to assess and prioritise risks according to their significance and likelihood. The risk assessment is not limited to threat analysis, but also identifies potential opportunities. The report also assess the cost of treating risks and risk treatment plans are incorporated in strategy, business and operational plans of the Company.

The Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

The Board of Directors have already approved and periodically reviews the risk management policy and the risk appetite for the Company. There are no risks which in the opinion of the Board threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

In order to align with the requirement of Section 134(5) (e) of the Companies Act, 2013, the Company has in place adequate internal financial controls which provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.

In particular, it ensures adequate operating controls, clear policies and detailed procedures of operations, delegation of authorities, safeguarding of assets, prevention and detection of frauds and errors, financial controls on financial reporting and timely preparation of reliable financial information. Systems and procedures are periodically reviewed to keep pace with the growth and complexity of the Company's operations. Upon review, no material reportable weaknesses were observed during the financial year 2017-18.

Nonetheless your Company recognizes that any Internal control framework, no matter how well designed has inherent limitations and accordingly it is ensured that systems are reinforced on ongoing basis.

WHISTLE BLOWER POLICY (VIGIL MECHANISM)

The Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy (Vigil Mechanism) which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and the Listing Regulations. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the Vigil Mechanism and the Whistle Blower Policy of the Company have been outlined in the Corporate Governance Report which forms part of this Annual Report. It is practice of Company to ensure that no employee is victimized for bringing such incident to attention of Management. Directors have not received any complaint regarding harassment, discrimination, violation of Company's Code of Conduct or any other unfair practice during the period under review. The vigil mechanism is available on your Company's website viz. www.technofabengineering.com

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVE

The Company has formed a CSR Committee comprising of Mr. Avinash C Gupta, Mr. Arjun Gupta, Mr. Pawan Chopra and Ms. Anju Banerjee. The Said Committee has developed a Policy on CSR which was subsequently approved by the Board.

Based on the recommendations of the CSR Committee of the Board, the Company has incurred expenditure on this head. In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Report is attached with report as “Annexure-[F]”

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out hereunder:

I. Conservation of energy

Though the operations of the Company do not consume high level of energy, adequate measures have been taken by the management to conserve energy to the extent possible through conservation measures. The Company is on a constant look out for newer and efficient energy conservation technologies and introduces them appropriately. As the cost of energy consumed by the Company forms a very small portion of the total cost, the impact of change in energy cost on total cost is insignificant.

II. Technology absorption

The Company being engaged in the business of providing complete engineering, procurement and construction services for auxiliary / balance of plant systems on a complete turnkey basis, constant efforts are made to develop new products/systems to give trouble free service in its line of activities.

III. Foreign exchange earnings and outgo

Foreign Exchange Earnings	-	₹1263 Mn
Foreign Exchange Outgo	-	₹ 504 Mn

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

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

OTHER DISCLOSURES

- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise; and
- The Company does not have any ESOP scheme for its employees/Directors and no Sweat Equity Shares has been issued.
- There was no revision in the financial statements.

INDUSTRIAL RELATIONS

Your Company's human resources is the strong foundation for creating possibilities for its business. The Company enjoyed cordial relations with the employees during the year under review and the Management appreciates the efforts and dedication shown by all employees of the Company in offering their support and expects their continued support for achieving higher level of productivity to enable meeting the targets set for the future.

APPRECIATION

The Directors wish to express their sincere appreciation to the Banks, Central and State Governments, Public and Private Sector Customers in India and abroad and the Company's valued shareholders for their continued co-operation and support. The Directors particularly wish to thank all the employees of the Company whose enthusiasm, vitality and application have been vital to the Company's business performance.

For and on behalf of Board of Directors

Place : Faridabad

Date : 13 August 2018

Avinash C Gupta

Chairman

Annexure [A] to Directors' Report

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013
 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part-A: Subsidiary

(₹ in Million)

1.	Name of the subsidiary	Arihant Flour Mills Private Limited	Woodlands Instruments Private Limited	Rivu Infrastructural Developers Private Limited
2.	The date since when subsidiary was Acquired	19 Sep' 2011	18 Sep' 2010	10 Feb' 2010
3.	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	1 April to 31 March	1 April to 31 March	1 April to 31 March
4.	Reporting currency and Exchange rate as on the last date of relevant Financial year in the case of foreign Subsidiaries	₹	₹	₹
5.	Share capital:			
	Authorised share capital	6000000	5000000	1000000
	Paid up share capital	5822800	4730000	1000000
6.	Reserves and surplus	100064542	13619630	3240760
7.	Total assets	212498608	53342651	7650131
8.	Total Liabilities	212498608	53342651	7650131
9.	Investments	-	-	-
10.	Turnover	-	-	-
11.	Profit/(Loss) before taxation	8153665	2957141	(1,88,347)
12.	Provisions for taxation	14,93,581	Nil	(270)
13.	Profit/(Loss) after taxation	6660084	457658	(188077)
14.	Proposed Dividend	-	-	-
15.	Extent of shareholding (inpercentage)	100%	100%	100%

Notes:

- Names of subsidiary which are yet to commence operations: **N.A.**
- Names of subsidiaries which have been liquidated or sold during the year: **N.A.**

Part-B: Associates and Joint Ventures

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

Name of Associate or Joint Ventures	N.A.
1. Latest audited Balance Sheet Date	N.A.
2. Date on which the Associate or Joint Venture was associated or acquired	N.A.
3. Shares of Associate or Joint Ventures held by the company on the year end	N.A.
Number	N.A.
Amount of Investment in Associate or Joint Venture	N.A.
Extent of Holding (in percentage)	N.A.
4. Description of how there is significant influence	N.A.
5. Reason why the associate/ joint venture is not consolidated	N.A.
6. Networth attributable to shareholding as per latest audited Balance Sheet	N.A.
7. Profit or Loss for the year	N.A.
(i) Considered in Consolidation	N.A.
(ii) Not Considered in Consolidation	N.A.

Notes

- Names of associates or joint ventures which are yet to commence operations: **N.A.**
- Names of associates or joint ventures which have been liquidated or sold during the year: **N.A.**

Annexure [B] to Directors' Report

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particulars			
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a	Mr. Avinash C. Gupta, Managing Director	41.36
		b	Mr. Arjun Gupta, Whole Time Director	35.15
		c	Mr. Nakul Gupta*, Whole Time Director	33.09
		d	Mr. Pawan Chopra, Independent Director	0.99
		e	Mr. Arun Mitter, Independent Director	1.10
		f	Ms. Anju Banerjee, Independent Director	0.99
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a	Mr. Avinash C. Gupta, Managing Director	66.67%
		b	Mr. Arjun Gupta, Whole Time Director	42.86%
		c	Mr. Nakul Gupta*, Whole Time Director	34.45%
		d	Mr. Pawan Chopra, Independent Director	7.10%
		e	Mr. Arun Mitter, Independent Director	28.11%
		f	Ms. Anju Banerjee, Independent Director	7.10%
		g	Mr. Sandeep Kumar Vij, Chief Financial Officer	(0.98%)
		h	Mr. Suman Kumar Verma, Company Secretary	41.76%
(iii)	The percentage increase in the median remuneration of employees in the financial year.			4.51%
(iv)	The number of permanent employees on the rolls of the company.			449
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average % age managerial remuneration increase has been 41.09 % while for others it is about 4.51 %. The Increase in Managerial Remuneration is mainly subject to the limitations provided under the Companies Act, 2013. Increase in remuneration is based on Remuneration Policy of the Company that rewards people differentially based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.		
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.			

*Mr. Nakul Gupta Resigned w.e.f closing hours of 8th March 2018.

Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(a) List of Employees in terms of above provisions:

Sl. No.	Name of the Employee	Designation	Remuneration (₹ in Crore)	Qualification	Experience	Date of Joining	Date of Birth	Shareholding	Last Employment	Relationship with Director (if any)
1	Avinash Chander Gupta	Managing Director	2.00	Bachelor of Science	57	Since Incorporation	26.10.1940	3313096	Gannon Dunkerley	Please see note below
2	Arjun Gupta	Whole-time Director	1.70	Bachelor of Engineering (USA)	25	01.01.1993	07.08.1970	432872	Not Applicable	
3	Nakul Gupta*	Whole-time Director	1.60	Bachelor of Science (Indiana)	24	01.12.1994	30.08.1971	471264	Not Applicable	

Note: Mr. Arjun Gupta and Mr. Nakul Gupta are sons of Mr. Avinash Chander Gupta

*Mr. Nakul Gupta Resigned w.e.f closing hours of 8th March 2018.

(b) List of employees of the Company employed throughout the financial year 2017-18 and were paid remuneration not less than ₹ 1.02 Crore per annum or ₹ 8.50 Lakh per month, if employed for the part of the years:

(in Crore)

Name	Designation	Remuneration (₹ in Crore)	Qualification	Experience (Years)	Joining Date	Age	Last Employment
Sh. Avinash C Gupta	Managing Director	2.00	Bachelor of Science	57	Since Incorporation	77	Gannon Dunkerley
Sh. Arjun Gupta	Whole-time Director	1.70	Bachelor's Degree in Mechanical Engineering from University of Texas	25	01.01.1993	47	N.A.
Sh. Nakul Gupta*	Whole-time Director	1.60	Bachelor of Science (Marketing & Psychology degree from Indiana University (Bloomington), Owner President Management Program (OPM) at Harward Business School	24	01.12.1994	46	N.A.

Notes:

- Mr. Avinash C Gupta is related to Mr. Arjun Gupta and Mr. Nakul Gupta, Whole-Time Directors of the Company.
- The contractual terms of Mr. Avinash C. Gupta, Managing Director, Mr. Arjun Gupta, Whole-time Director and Mr. Nakul Gupta, erstwhile Whole time Director are governed by the respective resolutions passed by the shareholders/ Board.
- No employee was employed for the part of the year and was paid remuneration during the financial year 2017-18 at a rate which in aggregate was not less than ₹ 8.50 lakhs per month.
- No employee was in receipt of remuneration which in the aggregate is in excess of that drawn by the Managing Director or Whole-time Director and holds by himself or along with his/her spouse and dependent children, not less than two percent of the equity shares of the company.

* Mr. Nakul Gupta resigned w.e.f closing hours of 8th March 2018.

Annexure [C] to Directors' Report

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,

**The Members,
Technofab Engineering Limited
(CIN: L74210DL1971PLC005712)
507, Eros Appt, 56 Nehru Place
New Delhi – 110019**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Technofab Engineering 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 Technofab Engineering Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 and made available to us, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations 2012;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

No event took place under these Regulations during the Audit period.

- vi. There are no specific laws applicable to Company as stated in ICSI guidance note on secretarial audit as per the Management representation letter.

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

- (i) Secretarial Standards issued by "The Institute of Company Secretaries of India";
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereto.

We report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above *except to the extent stated hereunder:-*

Observations:

The expenditure made by the company towards CSR activities during the year ended 31.03.2018 was less than the prescribed amount.

There was delay in filing particulars of satisfaction of charge which was condoned by office of Regional Director, Northern Region during the year and cost of Rs. 12800 each imposed by said office was duly paid by the company.

Mr Arjun Gupta, Director was disqualified under section 164(2)(a) of the Companies Act, 2013 for part of the year due to his name being published in the List notified by Ministry of Corporate Affairs and his DIN was deactivated. The disqualification was stayed vide Hon'ble High Court Order dated 24.10.2017 and 01.11.2017 in Writ Petition WP(C) No. 9278/2017. Based on the said Order, the DIN of Mr Arjun Gupta was reactivated by the Registrar of Companies.

We further report that, the compliance by the company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of account has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

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.

Adequate 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, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decision of the Board were unanimous and no dissenting views were found to be recorded.

We further report that, as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no other specific events / actions in pursuance of above referred laws, rules, regulations, guidelines standards etc. having a major bearing on the company's affairs.

For **NARESH VERMA & ASSOCIATES**
COMPANY SECRETARIES

NARESH VERMA
FCS: 5403
CP: 4424

Date: 13, August, 2018
Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure- I and forms an integral part of this report.

Annexure-I

To,

The Members,
Technofab Engineering Limited
507, Eros Apartments, 56 Nehru Place
New Delhi-110019

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

For **NARESH VERMA & ASSOCIATES**
COMPANY SECRETARIES

NARESH VERMA
FCS- 5403; CP-4424

Date: 13, August, 2018
Place: Delhi

Annexure [D] to Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31 MARCH 2018

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

I. REGISTRATION AND OTHER DETAILS:

I	CIN	L74210DL1971PLC005712
II	Registration Date	20/07/1971
III	Name of the Company	TECHNOFAB ENGINEERING LIMITED
IV	Category / Sub-Category of the Company	Public Limited Company
V	Address of the Registered office and contact details	507, Eros Apartments, 56, Nehru Place New Delhi- 110019 Telephone : +91 -129-227-0202 Fax : +91-129-227-0201 Website : www.technofabengineering.com Email : cs@technofabengineering.com
VI	Whether listed company	Yes
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime (India) Private Limited 44, Community Centre, 2 nd Floor Naraina Industrial Area, Phase – I, Near PVR Naraina; New Delhi - 110028 Telephone : +91 11 4141 0592, Fax No. : +91 11 4141 0591, Website : www.linkintime.co.in Email : delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are stated herein below:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1.	Long-distance pipelines, communication and power line (cables) and Construction Services	99532414, 99532411, 99532412, 99532622, 99532624, 99532904, 99542323, 99542411, 99542412, 99542414, 99542533, 99542535, 99542538, 99542617	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Arihant Flour Mills Private Limited, 507, Eros Apartments, 56, Nehru Place, New Delhi-110019	U51109DL1992PTC106029	Subsidiary	100%	2(87)(ii)
2	Woodlands Instruments Private Limited B-37, Nizamuddin East New Delhi- 110013	U74220DL1996PTC078452	Subsidiary	100%	2(87)(ii)
3	Rivu Infrastructural Developers Private Limited Ground Floor, FC-29 Narayantala Road (West) Baguiati, VIP Road Kolkata- 700059	U32109WB2005PTC101800	Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Sr. No.	Category of Shareholders	Shareholding at the end of the year - 2018				Shareholding at the Beginning of the year - 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	4754553	0	4754553	45.32	4754553	0	4754553	45.32	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	303473	0	303473	2.89	303473	0	303473	2.89	0.00
	Sub Total (A)(1)	5058026	0	5058026	48.22	5058026	0	5058026	48.22	0.00
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	5058026	0	5058026	48.22	5058026	0	5058026	48.22	0.00
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	519255	0	519255	4.95	15097	0	15097	0.14	3339%
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00

Sr. No.	Category of Shareholders	Shareholding at the end of the year - 2018				Shareholding at the Beginning of the year - 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i)	Any Other (Specify)									
	Sub Total (B)(1)	519255	0	519255	4.95	15097	0	15097	0.15	3339%
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	3339%
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 2 lakh.	1394004	11	1394015	13.28	1110269	11	1110280	10.58	26%
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	282024	0	282024	2.68	392086	0	392086	3.74	(28%)
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	74038	0	74038	0.70	73743	0	73743	0.70	Negligible
	Foreign Companies	0	0	0	0.00	737056	0	737056	7.03	Negligible
	Trusts	157	0	157	0.01					Negligible
	Non Resident Indians (Non Repat)	23598	0	23598	0.22	29724	0	29724	0.28	(21%)
	Non Resident Indians (Repat)	79334	0	79334	0.75	156770	0	156770	1.5	49%
	Clearing Member	15369	0	15369	0.14	52922	0	52922	0.50	71%
	Bodies Corporate	3044184	0	3044184	29.01	2864296	0	2864296	27.31	6%
	Sub Total (B)(3)	4912708	11	4912719	46.83	5416866	11	5416877	51.64	9%
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	5431963	11	5431974	51.78	5431963	11	5431974	51.78	0.00
	Total (A)+(B)	10489989	11	10490000	100.00	10489989	11	10490000	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	10489989	11	10490000	100.00	10489989	11	10490000	100.00	

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			Change during the year (% age)
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ Encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ Encumbered to total shares	
Individuals/ Hindu Undivided Family								
1.	Avinash Chander Gupta	3313096	31.58	00	3313096	31.58	00	00
2	Meera Gupta	514321	4.90	00	514321	4.90	00	00
3	Nakul Gupta	471264	4.49	00	471264	4.49	00	00
4	Arjun Gupta	432872	4.13	00	432872	4.13	00	00
5	Gunjan Gupta	11500	0.11	00	11500	0.11	00	00
6	Sucheta Sarvadaman Nakul	11500	0.11	00	11500	0.11	00	00
Body Corporate								
7	Bakool Venture Private Limited	154028	1.47	00	154028	1.47	00	00
8	Techfab Systems Private Limited	78511	0.75	00	78511	0.75	00	00
9	Techfab International Private Limited	70934	0.68	00	70934	0.68	00	00
	TOTAL	5058026	48.22	00	5058026	48.22	00	0.00

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

There was no change in Promoters' Shareholding during the financial year ended 31 March 2018

Based on the paid up share capital of the Company as on 31 March 2018

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

Sl. No	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative shareholding during the year	
		No. of shares at the beginning (01 April' 2017)/ end of the year 31 Mar' 2018	% of the total shares at the beginning (01 April' 2017)/ end of the year 31 Mar' 2018				No. of shares	% of total shares of the company
1	Pragmatic Traders Pvt Ltd	(350000)	3.34%	01.04.2017				
				22.12.2017	215150	Purchase	565150	5.39%
				29.12.2017	3326	Purchase	568476	5.42%
		568476	5.42%	31.03.2018				
2	Aviator Global Investment Fund	(0)	0.00%	01.04.2017				
				27.10.2017	115097	Purchase	115097	1.10%
				10.11.2017	100000	Purchase	215097	2.05%
				17.11.2017	304158	Purchase	519255	4.95%
		519255	4.95%	31.03.2018	-			
3	Brij Real Estate And Property Private Limited	(500000)	4.77%	01.04.2017				
				08.12.2017	(300000)	Sale	200000	1.91%
				22.12.2017	280000	Purchase	480000	4.58%
		480000	4.58%	31.03.2018				

Sl. No	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative shareholding during the year	
		No. of shares at the beginning (01 April' 2017)/ end of the year 31 Mar' 2018	% of the total shares at the beginning (01 April' 2017)/ end of the year 31 Mar' 2018				No. of shares	% of total shares of the company
4	Bhavi Investments Limited	(418000)	3.98	31.03.2018		Nil Movement during the year		
		418000	3.98	01.04.2017	-		-	-
5	Adesh Ventures Llp	(10539)	0.10%	01.04.2017		Purchase	44129	0.42
				07.04.2017	33590	Purchase	45752	0.43
				14.04.2017	1623	Purchase	80059	0.76
				28.04.2017	34307	Purchase	83032	0.79
				05.05.2017	2973	Purchase	89026	0.84
				19.05.2017	5994	Purchase	104838	0.99
				26.05.2017	15812	Purchase	185307	1.76
				02.06.2017	80469	Purchase	219604	2.09
				09.06.2017	34297	Purchase	262320	2.50
				16.06.2017	42716	Purchase	289508	2.75
				23.06.2017	27188	Purchase	343556	3.27
				30.06.2017	54048	Purchase	393285	3.74
				07.07.2017	49729	Purchase	413479	3.94
				08.12.2017	20194	Purchase		
		413479	3.94	31.03.2018				
6.	Mogra Investments Pvt Ltd	(320000)	3.28	01.04.2017		Purchase	345000	3.28
		345000	3.05	10.11.2017	25000			
7	Ras Projects Ltd	(231000)	2.20	31.03.2018		Nil Movement during the year		
		231000	2.20				-	-
8	Priyanka Finance Pvt Ltd	(20000)	1.42	01.04.2017		Sale	1000	0.009
				30.06.2017	(19000)	Purchase	43454	0.414
				07.07.2017	42454	Sale	33454	0.318
				14.07.2017	(10000)	Sale	30924	0.294
				21.07.2017	(2530)	Purchase	43243	0.412
				04.8.2017	12319	Sale	22269	0.212
				11.08.2017	(20974)	Sale	16614	0.158
				25.08.2017	(5655)	Sale	12614	0.120
				01.09.2017	(4000)	Purchase	157943	1.50
				08.09.2017	145329	Sale	150270	1.432
				22.09.2017	(7673)	Sale	150000	1.429
				13.10.2017	(270)			
				31.03.2018				
		150000						
9	Kei industries ltd.	(104228)	0.99	01.04.2017		Nil Movement during the year		
		104228	0.99	31.03.2018				
10	Deenar Krishnarao Toraskar	(43275)	0.41	01.04.2017		Purchase	76190	0.726
				08.09.2017	32915	Purchase	94546	0.901
				15.09.2017	18356	Purchase	104339	0.994
				22.09.2017	9793			
		104339	0.99	31.03.2018				

Based on the paid up share capital of the Company as on 31 March 2018

Note.: Please note that the shareholdings mentioned above including elsewhere appearing in this report are based on the PAN of the shareholders having one or more folios.

(v) Shareholding of Directors & Key Managerial Personnel

Sl. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in Share holding	Reason	Cumulative shareholding during the year	
		No. of shares at the beginning (01 April' 2017)/ end of the year (31 Mar' 2018)	% of the total shares at the beginning (01 April' 2017)/ end of the year (31 Mar' 2018)				No. of shares	% of total shares of the company
1.	Avinash Chander Gupta Managing Director	3313096 (3313096)	31.58 (31.58)	31.03.2018 31.03.2017	-	Nil Movement during the year	-	-
2.	Nakul Gupta* Whole Time Director	471264 (471264)	4.49 (4.49)	31.03.2018 01.04.2017	-	Nil Movement during the year	-	-
3.	Arjun Gupta Whole Time Director	432872 (432872)	4.13 (4.13)	31.03.2018 01.04.2017	-	Nil Movement during the year	-	-
4.	Pawan Chopra Independent Director	400 (400)	0.004 (0.004)	31.03.2018 01.04.2017	-	Nil Movement during the year	-	-
5.	Arun Mitter Independent Director	Nil (Nil)	Nil (Nil)	31.03.2018 01.04.2017	-	Nil Movement during the year	-	-
6.	Anju Banerjee Independent Director	Nil (Nil)	Nil (Nil)	31.03.2018 01.04.2017	-	Nil Movement during the year	-	-
7.	Sandeep Kumar Vij Chief Financial Officer (KMP)	Nil (Nil)	Nil (Nil)	31.03.2018 01.04.2017	-	Nil Movement during the year	-	-
8.	Suman Kumar Verma Company Secretary (KMP)	Nil (Nil)	Nil (Nil)	31.03.2018 01.04.2017	-	Nil Movement during the year	-	-

*Mr. Nakul Gupta has resigned w.e.f. closing hours of 8 March 2018

(vi) INDEBTEDNESS

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

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	99.12	0	0	99.12
ii. Interest due but not paid	0.01	0	0	0.01
iii. Interest accrued but not due	0.13	0	0	0.13
Total (i+ii+iii)	99.26	0	0	99.26
Change in Indebtedness during the financial year				
- Addition	13.69	0	0	13.69
- Reduction	9.53	0	0	9.53
Net Change	4.16	0	0	4.16
Indebtedness at the end of the financial year				
i. Principal Amount	103.41	0	0	103.41
ii. Interest due but not paid	0.01	0	0	0.01
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	103.42	0	0	103.42

(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager			Total Amount (₹ in Crore)
		Avinash Chander Gupta	Arjun Gupta	Nakul Gupta	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.58	1.49	1.39	4.46
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	– as % of profit	-	-	-	-
	– others, specify	0.42	0.21	0.21	0.84
5.	Others, please specify	As per the terms of Appointment	As per the terms of Appointment	As per the terms of Appointment	As per the terms of Appointment
	Total (A)	2.00	1.70	1.60	5.3
	Ceiling as per the Act*				7.2

*As per schedule V of Companies Act, 2013

B. Remuneration to Other Directors

Sl. No.	Particulars of Remuneration	Name of Director			Total Amount (₹ in Crore)
	Independent Directors	Arun Mitter	Pawan Chopra	Anju Banerjee	
	– Fee for attending board committee meetings	0.053	0.048	0.048	0.149
	– Commission	Nil	Nil	Nil	Nil
	– others, please specify	Nil	Nil	Nil	Nil
	Total (1)	0.053	0.048	0.048	0.149
	Other Non- Executive Directors				
	– Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	– Commission	Nil	Nil	Nil	
	– others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	0.053	0.048	0.048	0.149
	Total Managerial Remuneration				0.131

Managerial Remuneration is within the overall ceiling as per the Act Excluding sitting Fee.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (₹ in Crore)
		Mr. Sandeep Kumar Vij, Chief Financial Officer	Mr. Suman Kumar Verma, Company Secretary	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961	0.503	0.129	0.632
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17 (3) Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	- other specify	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	0.503	0.129	0.632

V. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Types	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, If any (give details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
C. Other Officers In Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					

Annexure [E] to Directors' Report

FORM AOC – 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

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

(a)	Name(s) of the related party and nature of relationship	N.A.
(b)	Nature of contracts/arrangements/transactions	N.A.
(c)	Duration of the contracts / arrangements/transactions	N.A.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e)	Justification for entering into such contracts or arrangements or transactions	N.A.
(f)	date(s) of approval by the Board	N.A.
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed	N.A.
(i)	Amount paid as advances, if any	N.A.
(j)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	N.A.

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

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	N.A.
(c)	Duration of the contracts/arrangements/transactions	N.A.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e)	Date(s) of approval by the Board, if any	N.A.
(f)	Amount paid as advances, if any	N.A.

For and on behalf of the Board

**Place: New Delhi
Date: 13 August 2018**

**Avinash C Gupta
Managing Director**

Annexure [F] to Directors' Report

CORPORATE SOCIAL RESPONSIBILITY (CSR)

I. Brief outline of the Company's CSR Policy:

The Board of Directors approved the CSR Policy of your Company pursuant to the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "Said Rule").

The CSR Committee has identified the following thrust areas around which your Company shall be focusing its CSR initiatives and channelizing the resources on a sustained basis:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;

8. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. rural development projects.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website viz. www.technofabengineering.com

II. The Composition of the CSR Committee:

Sl. No.	Name	Nature of Directorship
1.	Mr. Avinash C Gupta	Managing Director
2.	Mr. Arjun Gupta	Executive Director
3.	Mr. Pawan Chopra	Independent Director
4.	Ms. Anju Banerjee	Independent Director

The Company Secretary of the Company acts as the Secretary to the Committee.

III. Average Net Profit of the company for the last 3 financial years as per Section 135 of the Act read with Companies (CSR Policy) Rules, 2014: ₹ 24.00 Crore*

IV. Prescribed CSR expenditure (2% of this amount as in Sr. No. III above):

V. Details of CSR Spent during the Financial Year:

The Company had spent Rs. 50,000/- by way of making financial contribution to The Earth Saviours Foundation, Bandhwari Village, Gurgaon (the "Foundation") which is engaged in various social activities falling under the scope of CSR Policy of the Company. The Foundation is registered as a society under the Societies Registration Act on January 16, 2008 (vide registration number S/60983/2008). The NGO carries out various activities which among

other things are running old age home, rehabilitation school for poor children, Nari Niketan to look after deprived women and a Rescue center to look after mentally disabled people.

VI. Reasons for not spending the CSR amount:

Although the Company has now begun in participating CSR activities but in view of the tightness of cash flows and resultant stretched liquidity, the expenditure under this head upto the prescribed level was temporarily deferred.

VII. Our Responsibilities

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and CSR

committee monitors the implementation of the CSR activities in compliance with the provisions of Section 135 of the Companies Act, 2013 read with rules framed thereunder.

*Calculated in accordance with Section 135 of the Act read with the provisions of the Said Rules.

Avinash C Gupta
Managing Director
Chairman CSR Committee

Place : New Delhi
Date : 13 August 2018

REPORT ON CORPORATE GOVERNANCE

In Compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the Company hereby submits the report on matters as mentioned in the Listing Regulations and Corporate Governance practices followed by the Company. The information provided in the report on Corporate Governance for the purpose of uniformity is as on 31 March 2018. However the report is updated as on the date of the report wherever applicable.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Technofab Engineering firmly believes that Corporate Governance is a culture under which an organization is nurtured and flourishes by using its core values and the means by which it fulfills the public trust. It is not just a compliance with laws and ethical standards, instead it is an important business investment which is not only necessary to preserve the Company's reputation but also crucial for obtaining and retaining the business. The Company recognizes the rights of its shareholders and encouragement of co-operation between listed entity and shareholder participation. It also endeavors to enhance an effective shareholder participation in key corporate governance decisions.

Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all. At Technofab Engineering, it is believed that transparent, ethical and responsible corporate governance practices are essential in enhancing and retaining stakeholder trust. Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work place have

been institutionalized. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue the highest standards of Corporate Governance in the overall interest of all its stakeholders.

II. BOARD OF DIRECTORS

Composition of the Board

As on date, Technofab Engineering's Board consists of five Directors, which comprises of two Executive Promoter Directors and three Non-Executive Independent Directors. Among three Non Executive Independent Directors one is Woman Director. The Board is chaired by an Executive Director. The composition of the Board is in conformity with the Listing Regulations enjoining specified combination of Executive, Non-Executive and Independent Directors, with not less than 50 percent of the Board comprising of Non-Executive Directors and at least one-half comprising of Independent Directors for a Board chaired by Executive Director, as shown in the table below:

Category	No. of Directors
Non-Executive/ Independent Director	3
Executive Director	2
Total	5

Directors' Attendance Record and their other Directorships/ Committee Memberships

As mandated by Regulation 26 of the Listing Regulations, none of the Director is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/she is a Director.

Relevant details of the Board during the year ended 31 March 2018 are given below:

Name of Director	Category#	Attendance Particulars			No. of other Directorships and Committee Memberships/ Chairmanships held*		
		No. of Board Meetings		Last AGM held on 29.09.2017	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr. Avinash C. Gupta	Chairman/ ED	6	6	Yes	Nil	Nil	Nil
Mr. Arjun Gupta	ED	6	5	Yes	Nil	Nil	Nil
Mr. Nakul Gupta	ED	6	6	Yes	Nil	Nil	Nil
Mr. Pawan Chopra	NEID	6	6	No	2	4	Nil
Mr. Arun Mitter	NEID	6	6	Yes	3	2	2
Ms. Anju Banerjee	NEID	6	6	No	Nil	Nil	Nil

NEID – Non-Executive Independent Director; ED – Executive Director

*1. Excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

2. Only two Committees viz. the Audit Committee and the Stakeholders Relationship Committee are considered.

Mr. Avinash C Gupta is father of Mr. Arjun Gupta & Mr. Nakul Gupta. None of the other Directors is inter-se related.

\$ Mr. Nakul Gupta resigned from the office of Director w.e.f. the closing hours of 8 March 2018.

Number of Board Meetings:

During the financial year ended 31 March 2018, six (6) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed one hundred and twenty days. The dates on which the Board Meetings were held are 20 May 2017, 29 August 2017, 14 September 2017, 13 October 2017, 12 December 2017 and 9 February 2018.

Independent Directors:

The Company has three Independent Directors on its Board viz. Mr. Pawan Chopra, Mr. Arun Mitter and Ms. Anju Banerjee. All the Independent Directors meet the criteria prescribed under Sections 149 (6) including other applicable provisions, if any, of the Companies Act,

2013 read with the Rules issued there under and those under Listing Regulations. The Independent Directors have also submitted declarations to the effect that they meet the criteria of Independence as per the provisions of the Companies Act, 2013 and those provided under Listing Regulations. Further, the Independent Directors have confirmed that they do not hold directorship in more than such maximum number of listed companies as are prescribed under Regulation 25(1) of the Listing Regulations. The Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and Listing Regulations. The terms & conditions of the letter of appointment of Independent Directors is available on the website of the Company viz. www.technofabengineering.com

The shareholding of the Non-Executive Directors of the Company as on the date of this report is as follows:

Name of Director	Nature of Directorship	No. of Shares held	% of the paid up share capital
Mr. Pawan Chopra	Non-Executive Independent Director	400	0.004
Mr. Arun Mitter	Non-Executive Independent Director	NIL	NIL
Ms. Anju Banerjee	Non-Executive Independent Director	NIL	NIL

Board Procedures:

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of the Company. The tentative annual calendar of Board Meetings for the ensuing year is decided in advance by the Board.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and informed decision making. The Board has complete access to any information within the Company which includes the information as specified in Regulation 17(7) of the Listing Regulations and they are updated about their roles and responsibilities in the Company.

Familiarization Programme for the Independent Directors:

The Independent Directors are briefed both to provide them an opportunity to familiarize with the Company, its management and its operations as well as on the development in Company Law including other related laws so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required & sought by them

for enabling them to have a good understanding of the Company, its various operations & the industry of which it is a part.

The initiatives undertaken by the Company in this respect has been disclosed on the website of the Company viz. www.technofabengineering.com

Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, a meeting of the Independent Directors of the Company was held on 28 February 2018, without the attendance of Non-Independent Directors and members of the management. All the Independent Directors were present in the meeting.

Evaluation of Board Effectiveness:

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder read with Regulation 17(10) of the Listing Agreement, the Board of Directors, on the basis of the evaluation criteria laid down by the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each of the Directors and the Committees was carried out during the year. The aforementioned performance evaluations were carried out on the basis of the various criteria mentioned in the Nomination and Remuneration Policy of this Report.

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Sl. No.	Particulars	Mr. Avinash Chander Gupta	Mr. Pawan Chopra
1.	Brief resume of the Director	Shri Avinash C Gupta aged 77 years is the Founder & Chairperson of the Company. He is Science Graduate and holds more than 57 years of experience in the field of Engineering & Construction business. Under his able leadership and guidance, the Company has been able to successfully come out with its IPO and has today become a multi location profit generating unit	Mr. Chopra is a retired Indian Administrative Service officer and has been acting as Director of the Company w.e.f. 8 July 2009. He has more than thirty five (35) years of experience working with Government of Rajasthan and Government of India in various capacities and sectors. He retired as a Secretary to Government of India, Ministry of Information & Broadcasting. He has also rich and varied experience in Companies engaged in various industry.
2.	Nature of his expertise in specific functional areas	Wide Experience and renowned knowledge of Turnkey Projects, Design & Engineering	Rich Experience in various Sectors (Government and Non-Government)
3.	Disclosure of relationships between directors inter-se	Mr. Avinash Chander Gupta is father of Mr. Arjun Gupta, Whole-time Director	NIL
4.	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL	LANCO INFRATECH LIMITED (Member of Board including Audit Committee thereof)
5.	Shareholding	3313096 Equity Shares of Rs. 10 each	400 Equity Shares of Rs. 10 each

III. COMMITTEES OF THE BOARD

The Board of Directors has constituted Committees of Directors with adequate delegation of powers to discharge urgent business of the Company. Committee members are appointed by the Board. The Committees meet as often as required.

Each Committee has its own charter. The Charters of Committees set forth the purposes, goals and responsibilities of the Committees.

The various Committees are:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
4. CSR Committee
5. Management Sub Committee

The details regarding terms of reference, composition, quorum and other details of the Corporate Governance Committees are as under:

A. AUDIT COMMITTEE

Composition:

The composition of the Audit Committee is in line with the provision of Section 177 of the Companies Act, 2013

and those of the Listing Regulations. The Members of the Audit Committee are financially literate. The Chairman of the Audit Committee is having accounting and financial management expertise. The committee invites among others, Statutory Auditors, Internal Auditors and the Chief Financial Officer of the Company to attend its meetings. The Audit Committee comprises of the following Directors.

The Composition of Audit Committee is as under:

1. Mr. Arun Mitter : Chairman, Independent, Non-Executive
2. Mr. Pawan Chopra : Member, Independent, Non-Executive
3. Ms. Anju Banerjee : Member, Independent, Non-Executive
4. Mr. Arjun Gupta : Member, Executive Director

The Company Secretary of the Company acts as the Secretary to the Committee.

Meetings and Attendance:-

During the financial year covered under this report, five Audit Committee meetings were held viz. 20 May 2017, 29 August 2017, 14 September 2017, 12 December 2017 and 9 February 2018.

The attendance details are as under: -

Name of the Member	Meeting details	
	Held	Attended
Mr. Arun Mitter	5	5
Mr. Pawan Chopra	5	5
Ms. Anju Banerjee	5	5
Mr. Arjun Gupta	5	4

The Audit Committee monitors and effectively supervises the Company's financial reporting process with a view to provide accurate, timely and proper disclosure and maintain the integrity and quality of financial reporting. The Audit Committee also reviews from time to time, the audit and internal control procedures, the accounting policies of the Company, oversight of the Company's financial reporting process so as to ensure that the financial statements are correct, sufficient and credible. The scope of activities and terms of reference of the Audit Committee is governed by a Charter which is in line with the provisions of Section 177 of the Companies Act, 2013 and those of the Listing Regulations.

(a) The role of the Audit Committee, inter alia, includes the following:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the Director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates

based on the exercise of judgment by management;

- (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions; and
 - (g) modified opinion(s) in the draft audit report.
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (8) approval or any subsequent modification of transactions of the Company with related parties;
 - (9) scrutiny of inter-corporate loans and investments;
 - (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - (11) evaluation of internal financial controls and risk management systems;
 - (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (14) discussion with internal auditors of any significant findings and follow up there on;
 - (15) reviewing the findings of any internal investigations by the internal auditors into matters where there

is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate; and
- (20) carrying out any other function as is mentioned in the terms of reference of the audit committee.

(b) The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses;
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- (6) statement of deviations:
 - (a) 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 Listing Regulations.
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

B. NOMINATION & REMUNERATION COMMITTEE

Composition:

In Compliance with the provisions Section 178 of the Companies Act, 2013 and those of Regulation 19 of the Listing Regulations, the Board of Directors has constituted a Nomination and Remuneration Committee consisting of following Members

1. Mr. Pawan Chopra : Chairman, Independent, Non-Executive
2. Mr. Arun Mitter : Member, Independent, Non-Executive
3. Ms. Anju Banerjee : Member, Independent, Non-Executive

The Company Secretary of the Company acts as the Secretary to the Committee.

Terms of reference:

The role of the Nomination and Remuneration committee, inter-alia, includes the following:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (3) devising a policy on diversity of Board of Directors;
- (4) identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal; and
- (5) 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.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

Meetings and Attendance:-

The Committee met during the financial year ended 31 March 2018 i.e. on 13 October 2017 & 29 August 2017 and all the members attended the said meeting.

Policy of the Nomination and Remuneration Committee:

Section 178 of the Companies Act, 2013 read with the Listing Regulations have made it mandatory for all listed companies to appoint a Nomination and Remuneration Committee, inter alia for the purpose of identifying persons who are qualified to be appointed as Directors or be appointed in key management/ senior management of the Company. In line with the aforementioned provisions, the Nomination and Remuneration Committee of the Company has also a Nomination and Remuneration policy in place.

Objective of the Policy:

The objective of the Policy inter alia includes to ensure *Board Diversity* and *Independence* in order to help provide the maximum experience and access to knowledge that can be derived from the Board. The objective of the Policy is also to keep it in alignment with the existing HR Policy of the Company in so far as any appointment of key managerial personnel and senior management is concerned.

Board Diversity

In order to meet this objective, the Company appoints on its Board requisite number of persons having diversity of thought, experience, knowledge, perspective and gender in the Board of Directors.

Board Independence

In order to meet this objective, the Company appoints on its Board requisite number of Independent Directors, who meet the criteria of Independence prescribed under Companies Act, 2013 as well as under the Listing Regulations as amended from time to time.

Criteria for Determination of Remuneration

The Remuneration policy aims at encouraging and rewarding good performance/contribution for the company's objective. The remuneration payable should be fair and reasonable and be determined after taking into account, level of skill, knowledge and core competence of individual, functions, duties and responsibilities.

The remuneration payable to executive Directors are recommended by the Nomination and Remuneration Committee after taking into consideration the stipulation made under Section 197 and Schedule V of the Companies Act, 2013 read with the HR Policy of Company, wherever applicable. The recommendations so made are subsequently approved by the Board and

the Shareholders in accordance with the Companies Act, 2013.

Criteria of making payments to Non-executive Directors

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/ Committee meetings. They are compensated through sitting fees which are within the limits prescribed under the Companies Act, 2013, as per table below, for attending the meetings and are not entitled to any other payments.

Sl. No.	Nature of Meeting	Sitting Fees Payable (₹)
1.	Board	40,000
2.	Audit Committee	40,000
3.	Nomination & Remuneration Committee	40,000
4.	Stakeholders' Relationship Committee	40,000
5.	Shareholders / Investors Grievance Committee	40,000

*The sitting Fees were revised from Rs. 30,000 to Rs. 40,000 in the Board Meeting held on 29th August 2017 and were made applicable for the meetings to be held after the date of approval.

Criteria for Performance Evaluation

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

The process of the annual performance evaluation broadly comprises:

Board and Committee Evaluation:

For evaluation of the entire Board and its Committees a structured questionnaire, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the

Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc., is in place. Evaluation of Board as a whole and the Committees is done by the individual Directors, followed by submission of collation to the NRC and feedback to the Board.

Independent / Non-Executive Directors Evaluation:

For evaluation of individual Director's performance, the questionnaire covers various parameters like his/her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc. Additional criteria for evaluation of Independent Directors include effective deployment of knowledge and expertise, commitment to his/her role towards the Company and various stakeholders, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation and application of objective independent judgement during meetings, etc. Evaluation done by Board members excluding the Director being evaluated is submitted to the Chairman of your Company and individual feedback provided to each Director.

Chairman/Executive Director Evaluation:

The performance of Chairman and Executive Directors are evaluated on certain additional parameters depending upon their roles and responsibilities. For the Chairman the criteria includes leadership, relationship with stakeholders etc., for the Executive Directors the criteria includes execution of business plans, risk management, achievement of business targets, development of plans and policies aligned to the vision and mission of the Company, etc. Evaluation as done by the individual Directors is submitted to the Chairperson of the NRC and subsequently to the Board.

Accordingly, the annual performance evaluation of the

Board, its Committees and each Director was carried out in the financial year ended 31 March 2018.

The Independent Directors had met separately on 28 February 2018 without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of Non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it determines whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

Succession Plan:

The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

DETAILS OF THE REMUNERATION PAID TO THE DIRECTORS FOR THE YEAR COVERED UNDER THIS REPORT

Remuneration to Directors:

The Remuneration/Sitting fees paid to the Directors during the financial year ended 31 March 2018 are mentioned below:

(Amount in ₹)

Sl. No.	Name of Director	Salary & Allowance	Commission	Sitting Fees	Total
1.	Mr. Avinash C Gupta	15,795,000	4,211,784	-	20,006,784
2.	Mr. Arjun Gupta	1,485,000	2,105,892	-	16,955,892
3.	Mr. Nakul Gupta	13,931,855	2,105,892	-	16,037,747
4.	Mr. Arun Mitter	-	-	5,33,000	5,33,000
5.	Mr. Pawan Chopra	-	-	4,79,000	4,79,000
6.	Ms. Anju Banerjee	-	-	4,79,000	4,79,000

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition:

In Compliance with the provisions Section 178(5) of the Companies Act, 2013 and those of the Listing Regulations, the Board of Directors has Stakeholders' Relationship Committee comprising of following Members:

1. Ms. Anju Banerjee : Chairperson, Independent, Non-Executive Director
2. Mr. Arun Mitter : Member, Independent, Non-Executive Director
3. Mr. Pawan Chopra : Member, Independent, Non-Executive Director

The Company Secretary of the Company acts as Secretary to the Committee.

Brief Description of Terms of Reference of Stakeholder Relationship Committee:-

The Committee performs various functions covered under Section 178 of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations which inter alia covers following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non - receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company."

The Company Secretary cum Compliance Officer of the Company has been delegated the power to approve transfer and transmission of physical shares and other matters like consolidation of certificates, issue of duplicate share certificates, dematerialization/ rematerialization of shares in stipulated period of time.

Meetings and Attendance:

During the financial year covered under this report, no meeting of Stakeholders' Relationship Committee meetings was held.

OTHER COMMITTEES

Corporate Social Responsibility Committee (CSR Committee):

In accordance with the provisions of the Companies Act, 2013, the Board of Directors have constituted CSR Committee to formulate and recommend the Board a CSR Policy in indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. The complete details regarding CSR Committee are mentioned in Annexure-F to the Board's Report.

Management Sub-Committee

The Board of Directors have constituted an Management Sub-Committee comprising of two (2) Executive Directors viz. Mr. Avinash C. Gupta and Mr. Arjun Gupta to oversee routine matters that are in the normal course of the business. Mr. Nakul Gupta had ceased to be the member of the Management Sub-Committee w.e.f. 8 March 2018 on account of his resignation from the Board.

The Board of Directors has delegated certain powers to this Committee to facilitate the working of the Company. The Committee met twelve (12) times during the financial year ended on 31 March 2018.

Compliance Officer:

The Company Secretary of the Company is designated as Compliance Officer of the Company by the Board and his contact details are as follows:

Technofab Engineering Limited
Plot No. 5, Sector-27C
Mathura Road, Faridabad-121003
Ph : +91-129-2270202
Fax : +91-129-2270201
E-mail : investors@technofabengineering.com

The Company welcomes the members to make more effective use of the electronic means to communicate with their company for quicker redressal of their grievances. The Company has appointed a Share Transfer Agent, whose particulars are given elsewhere in this report. The members may address their queries / complaints to the above address / phone / fax / e-mail id or to those of the Registrar's. The Company also redresses shareholders complaint coming through SEBI-SCORES mail id.

Details of Investor's Complaint

There were no complaints received from investors/shareholders during financial year 2017-18 except few relating to non-receipt of Annual Reports which had been resolved immediately. There were no pending complaints at the end of financial year.

III. GENERAL BODY MEETINGS

Details of last three Annual General Meetings are as under:

Year	Date	Time	Venue	No. of Special Resolutions passed at the AGM
2014-15	25 September 2015	10.30 AM	Delhi Flying Club Safdarjung Airport, New Delhi-110003	2
2015-16	30 September 2016	10:30 AM	Lok Kala Manch 20, Lodhi Institutional Area, Lodhi Road, New Delhi - 110003	5
2016-17	29 September 2017	10:30 AM	Lok Kala Manch 20, Lodhi Institutional Area, Lodhi Road, New Delhi - 110003	4

Postal Ballot:

During the year, two Postal Ballot process were initiated for passing various resolutions as mentioned below:

- (A) Postal Ballot Notice dated 7 March 2017 for re-appointment of Mr. Avinash C Gupta, who is of the age of 76 years, as Managing Director of the Company for a period of three years w.e.f. 1 April 2017. The resolution was passed on 7 April 2017. The details of this Postal Ballot Process has already been reported in the Annual Report for the financial year 2017-18.
- (B) Postal Ballot Notice dated 5 March 2018 for passing following Special Resolutions:
- Alteration of Object Clause of Memorandum of Association;
 - Alteration of the clause IV pertaining to Liability Clause of Memorandum of Association;

- Adoption of new set of Articles of Association of the Company
- Authority to issue Debentures/Bonds/FCCB upto an amount of Rs. 85 crores and
- Authority to issue commercial paper upto an amount of Rs. 15 crores.

The Postal Ballot process was conducted in a fair and transparent manner in accordance with the provisions of Section 110 of the Companies Act, 2013 and the rules framed there under. Mr. Naresh Verma, Practicing Company Secretary (FCS No.5403 CP No.4424) was appointed as scrutinizer for conducting the Postal Ballot. The procedure for postal ballot was as per Section 110 and other applicable provisions of the Companies Act, 2013 read together with Rule 22 of the Companies (Management and Administration) Rules, 2014. The result of the Postal Ballot was declared on 5th April 2018 and the Special Resolutions were duly passed with requisite majority.

Date of Postal Ballot Notice	March 5, 2018
Voting Period	March 6, 2018 to April 4, 2018
Date of Declaration of Result	April 05, 2018

Name of the resolution	Type of resolution	No. of votes Polled	Votes cast in favour No. of Votes	%	Votes cast against No. of votes	%
Alteration of the Object clause of Memorandum of Association	Special	52,19,701	5219660	99.99	41	0.01
Alteration of the Clause IV pertaining to Liability Clause of Memorandum	Special	52,19,701	5219660	99.99	41	0.01
Adoption of new set of Articles of Association of the Company	Special	52,19,701	52,19,701	100	0	-
Issue of Debentures/Bonds/FCCB upto an amount of Rs. 85 Crore	Special	52,19,701	52,19,701	100	0	-
Issue of Commercial paper upto an amount of rs. 15 Crore	Special	52,19,701	52,19,701	100	0	-

IV. DISCLOSURES

a. Related Party Transactions:

The Company has not entered into any materially significant transactions with the related parties during the year covered under this report. Transactions with related parties are being disclosed in the Notes to Accounts forming part of the Annual Report and are transacted after obtaining applicable approval(s), wherever required. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with Related Party Transactions and a Policy on materiality of Related Party Transactions is available on the website of the Company viz. www.technofabengineering.com

b. Subsidiary Companies:

The Company has three unlisted Indian Subsidiary Companies viz. Arihant Flour Mills Private Limited, Woodlands Instruments Private Limited and Rivu Infrastructural Developers Private Limited. None of them is material subsidiary company in terms of Regulation 16(1)(c) of the Listing Regulations. The Board of Directors of the Company formulated a policy for determining "material" subsidiaries. The said Policy has been placed on the website of the Company viz. www.technofabengineering.com

c. Re-appointment of Directors liable to retire by

rotation:

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting as required under Regulation 36 of the Listing Regulations is given elsewhere in this report.

d. Non-Compliances by the Company :

During the last three years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for non-compliance of any matter related to capital markets.

e. Vigil Mechanism and Whistle Blower Policy:

The Company is committed to develop a culture of highest standards of ethical, moral and legal business conduct wherein it is open for communication regarding the Company's business practices, avenues for employees to raise concerns about any poor or unacceptable practice and to protect employees from unlawful victimization, retaliation or discrimination for their having disclosed or reported fraud, unethical behavior, violation of Code of Conduct, questionable accounting practices, grave misconduct etc.

To enforce the above, the Company has put in place a Whistle Blower Policy with a view to provide opportunity to employees to raise a concern about the serious irregularities within the company and to provide the necessary safeguards to these employees from unlawful victimization.

A complaint under the policy may be made to the

designated officials and to the Audit Committee in terms of the Policy. During the year, no employee of the Company has been denied access to the Audit Committee.

f. Details of compliance with mandatory requirements of the Listing Agreement:

The Company has complied with all the mandatory requirements of all applicable regulations of the listing agreement and submits on quarterly/half yearly/yearly basis the quarterly/ half yearly/yearly reports to the concerned Stock Exchanges.

V. MEANS OF COMMUNICATION

The quarterly / half-yearly results are forthwith communicated to the BSE Limited and the National Stock Exchange of India Limited, with whom the Company has listing arrangements, as soon as these are approved and taken on record by the Board of Directors of the Company. The results along with quarterly Information updates/release, announcement are published normally in leading newspapers, namely, Business Standard both English and Hindi, Business Line in English, Financial Express in English etc., along with the official news releases in accordance with the guidelines of the Stock Exchanges.

The results along with quarterly Information updates/ release, announcement are also put up on Company's website www.technofabengineering.com and the information with respect to Investor Con Call are also informed to the Stock Exchange. The website also hosts official news releases.

For investors, the Company has created a separate e-mail ID, investors@technofabengineering.com. During the financial year, the Company organized conference calls after announcement of Quarterly Results, which were very well attended by the analysts, fund managers and investors.

VI. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting:

The 47th Annual General Meeting of the Company shall be held as under :-

Date and Time : 28 September 2018
at 10:30 A.M.

Venue : LPS Auditorium, PHD
Chamber of Commerce and
Industry PHD House, 4/2 Siri
Institutional Area, August
Kranti Marg, New Delhi –

110 016

b. Payment of Dividend

The Company had not declared dividend during last three years. However the Company has recommended dividend of Rs. 2 per equity shares of Rs. 10 i.e. @ 20% per share this year which is subject to the approval of shareholders in the forthcoming Annual General Meeting.

c. Financial Calendar (Tentative):

The company follows financial year from April 1 to March 31. The Current financial year of the Company is April 1, 2018 to March 31, 2019.

The Quarterly/Annual results taken/ will be taken on record by the Board of Directors as per the following schedule:

First Quarter Results	: 13/08/2018
Half Yearly / Second quarter Results	: On or before 14/11/2018
Third Quarter Results	: On or before 14/02/2019
Audited Annual results for the year	: On or before 30/05/2019

d. Date of Book Closure: 22 September 2018 to 28 September 2018 (both days inclusive)

e. Listing on Stock Exchanges:

The equity shares of the Company are listed at the following Stock Exchanges:

Name of Stock Exchange	Stock Code
BSE Limited	533216
National Stock Exchange of India Limited	TECHNOFAB

f. Listing Fee

The company has paid annual listing fee to the above stock exchange for the year 2018-2019.

g. Depository Fee

Annual Custody/ Issuer Fee for the year 2018-19 has been paid to CDSL and NSDL.

h. ISIN Number: INE509K01011

i. Market Price Data & Share price performance:

Monthly High, Low during each month, in last financial year, is as below:

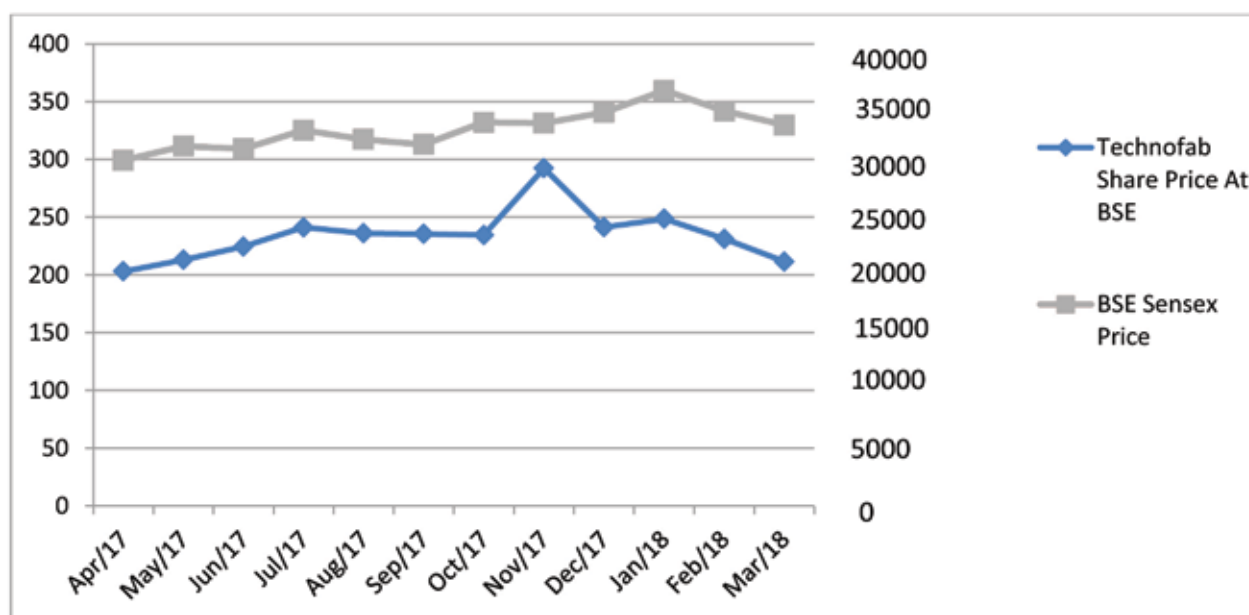
Month	Bombay Stock Exchange (BSE) (In ₹ Per Share)		National Stock Exchange (NSE) (In ₹ Per Share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2017	219.95	186.60	205.28	197.8167
May 2017	242.60	177.30	209.71	200.675
June 2017	228.25	200.50	224.08	217.1524
July 2017	274.00	224.50	249.49	239.6667
August 2017	282.00	231.00	243.93	236.6024
September 2017	275.00	226.85	245.469	234.369
October 2017	257.30	230.20	243.755	235.365
November 2017	339.40	235.00	253.5273	241.2432
December 2017	309.90	230.30	290.4875	263.0125
January 2018	260.00	236.70	252.345	243.65
February 2018	249.95	224.60	238.8933	230.93
March 2018	230.95	207.75	222.2026	214.0421

j. Foreign Exchange Risk and Hedging Activities

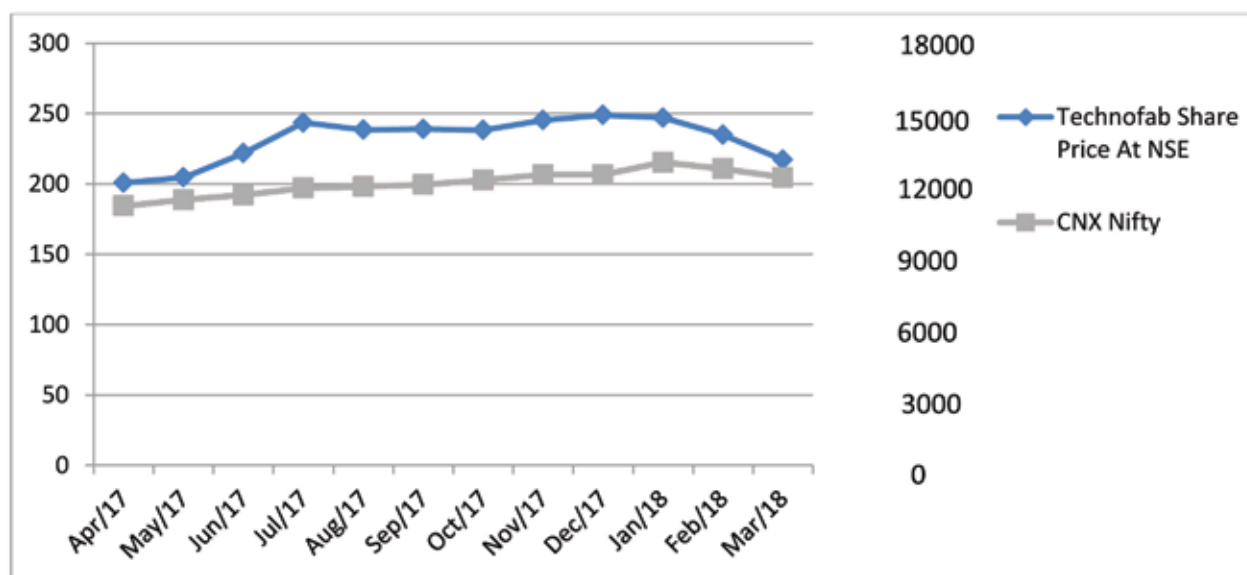
The Foreign Exchange Exposures and risks involved in it are periodically reviewed by the Board of Directors of the Company. Substantial part of the Foreign Exchange Risk is covered by natural hedging.

k. Stock Performance

S&P Vs. Technofab



Nifty Vs. Technofab



I. Registrar and Share Transfer Agent:

Link Intime India Private Limited is the Registrar and Share Transfer Agent of the Company to whom communications regarding change of address, transfer of shares, change of mandate etc. can be addressed as per the details mentioned below:

Link Intime India Private Limited
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR, Naraina,
New Delhi-110028
+91 11 4141 0592; Fax: +91 11 4141 0591

Detailed list of Link Intime offices is available at their website www.linkintime.co.in

n. Share Transfer System:

The Company's shares are traded in the Stock Exchange compulsorily in dematerialized mode. Physical Shares which are lodged with the Registrar and Share Transfer Agent and / or Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to documents being found valid and complete in all respects. The dematerialized shares are transferred directly to the beneficiaries by the depositories.

m. Distribution of shareholding as on 31 March 2018:

a) Distribution of Shareholding as on 31 March 2018

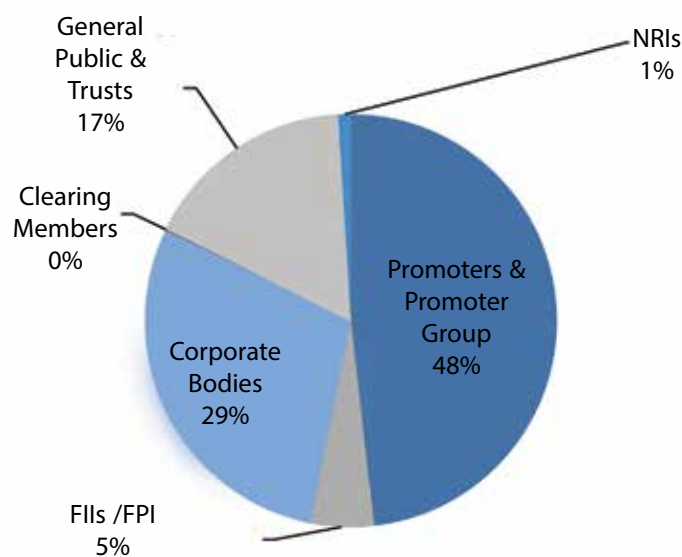
Group of Shares	Share Holders		No. of Shares	
	Number	% to total	Shares	% to total
1 - 500	5710	90.29	505969	4.82
501 - 1,000	270	4.26	205698	1.96
1,001 - 2,000	146	2.30	213108	2.03
2,001 - 3,000	59	0.93	145985	1.39
3,001 - 4,000	35	0.55	121004	1.15
4,001 - 5,000	29	0.45	131049	1.24
5,001 - 10,000	24	0.37	170927	1.62
10,001 – Above	51	0.80	8996260	85.76
Total	6324	100	10490000	100

b) Categories of Equity Shareholding as on 31 March, 2018

S. No.	CATEGORY	No of Shares held	% of Share holding
1	Promoters & Promoter Group	5058026	48.22%
2	FII's/ FPI	519255	4.95%
3	Corporate Bodies	3044184	29.02%
4	Clearing Members	15369	0.15%
5	General Public & Trusts	1750234	16.68%
6	NRIs	102932	0.98%
	Grand Total	1,04,90,000	100

(c) Graphic presentation of the Shareholding pattern as on 31.03.2017

Shareholding Pattern as on 31 March 2018



o. Dematerialisation of Shares and Liquidity:

The shares of the Company are compulsorily traded in dematerialized form. All equity shares except 11(Eleven) have been dematerialized as on date. The equity shares of the Company are actively traded at BSE & NSE.

p. Outstanding GDRs/ ADRs/ Warrants or Convertible Bonds:

No GDRs/ ADRs/Warrants or Convertible Bonds has been issued by the Company.

q. Unclaimed Dividend

There is no case where any dividend has remained unclaimed for more than seven years.

The dividends for the succeeding years remaining unclaimed for 7 years will be transferred by the Company to the IEPF on the due dates as given hereunder:

Sr. No.	Financial Year	Date of Declaration of Dividend	Due date for transfer to IEPF
1.	2010-2011	10.08.2011	16.09.2018
2.	2011-2012	10.09.2012	16.10.2019
3.	2012-2013	25.09.2013	25.10.2020

Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issuance of duplicate warrant(s) by writing to the Company confirming non-encashment / non-receipt of dividend warrant(s).

r. Disclosures of Accounting Treatment

In the financial statements for the year ended 31 March 2018, the Company has followed the treatment as prescribed in the applicable Accounting Standards.

s. Modified opinion(s) in audit report

The opinion expressed by the Auditor in the audit report on the financial statements for the year ended 31 March 2018 is unmodified.

VIII. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management of the Company. The Code has also been posted on the website of the Company.

All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct.

The declaration signed by the Managing Director affirming compliance to the Code by the Board of Directors and the Senior Management has been placed at the end of Report.

IX. PREVENTION OF INSIDER TRADING

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 which became effective from 15 May 2015, the Company has inter alia devised and adopted Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. Company Secretary is the Compliance Officer for the purpose of this code. During the year there has been due compliance of the code.

X. LISTING AGREEMENT

During the period covered under this report, the Company has duly complied with the provisions of the Securities and Exchange Board of India on 2nd September 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the listing agreement(s) with the Stock Exchanges.

XI. RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form and in physical form.

XII. MD/ CFO CERTIFICATION

In compliance with Regulation 17(8) of the Listing Regulations, a declaration by Managing Director and Chief Financial Officer has been attached which, inter-alia, certifies to the Board, the accuracy of Financial Statements and the adequacy of internal controls pertaining to Financial Reporting.

XIII. AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

The certificate dated 14 August 2018 from Statutory Auditors of the Company (M/s Rajesh Suresh Jain & Associates) confirming compliance with the

Corporate Governance requirements as stipulated under the Listing Regulations is annexed hereto.

The above report has been adopted by the Board of Directors of the Company at their meeting held on 14 August 2018.

For Technofab Engineering Limited

Place: Faridabad
Date: 13 August, 2018

Avinash C Gupta
Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
 The Members of
 Technofab Engineering Limited
 New Delhi

To,
 The Members of Technofab Engineering Limited

We have examined the compliance of conditions of Corporate Governance by Technofab Engineering Limited ("the Company"), for the year ended 31 March 2018, as stipulated in provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For G C Agarwal & Associates
Chartered Accountants
Firm Reg. No. 017851N

Place: New Delhi
Date: 13 August 2018

G C Agarwal
Proprietor
Membership No. 083820

MD AND CFO CERTIFICATION

**The Board of Directors,
Technofab Engineering Limited
New Delhi**

Dear Members of the Board

We, Avinash C Gupta, Managing Director and Sandeep Kumar Vij, Chief Financial Officer, of the Company to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
 - 1) There have been no significant changes in the internal control over financial reporting during this year.
 - 2) There have been no significant changes in the accounting policies this year and that the same have been disclosed in the notes to the financial statements.
 - 3) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

**Avinash C. Gupta
Managing Director**

**Sandeep Kumar Vij
Chief Financial Officer**

**Date: 13 August 2018
Place: New Delhi**

MANAGEMENT DISCUSSION AND ANALYSIS

The management of Technofab Engineering presents its analysis report covering performance and outlook of the Company. The report has been prepared in compliance with the Corporate Governance requirement pre-scribed in the SEBI (LODR) Regulations, 2015. The management accepts responsibility for the integrity and objectivity of the financial statements.

COMPANY OVERVIEW

TECHNOFAB Engineering Limited is one of India's premier engineering and construction companies specialized in providing complete engineering, procurement and construction (EPC) services on a turnkey basis across a number of industrial and infrastructure sectors which includes power, oil and gas, water & waste water, Electrical Transmission & Distribution and other industrial and infra structure sectors.

With "Excellence in Project Management" as its core characteristic, the company has developed complete in house capabilities necessary to provide turnkey responsibilities to its customers. At the heart of the company's organizations are its project managers, industry veterans with vast experience in the construction sector backed by experienced engineering and procurement specialists and dedicated staff for managing project logistics. Consequently the company is in the unique position of being able to provide end to end services in an economical and effective manner under one roof for a very wide range of projects.

It has a diversified blue chip customer list and is recognised by virtually all leading consultants. Since 1993 it has extended its operations to the African continent having successfully executed several turnkey assignments in Kenya, Zambia, Ghana and Ethiopia. In recent years around a third of its operating income is from overseas projects.

BUSINESS STRUCTURE & DEVELOPMENTS

The Company serves customers, domestic as well as overseas, who operate in diverse sectors like Power, Industrial, Oil & Gas, Electrical, Water and Infrastructure Sectors in India, Africa & Asia Pacific Regions Through Turnkey EPC Contracts for a wide spectrum of packages. The business opportunities are linked with investments taking place in these sectors.

Company's recent rapid growth has been built around its core competence of providing turnkey composite

EPC services covering all aspect of Civil Engineering, Electrical Engineering, Mechanical Engineering and Instrumentation Engineering. All recent diversification has been achieved around this core competence and no unrelated diversification is planned unless there is a strong strategic fit. Due to the multifaceted services being offered by the company, the company is able to provide EPC services to virtually all infrastructure industrial sector and it is no longer dependent on the thermal power sector as was the case a few years ago. In order to spread the company geographically, company targeted the overseas market and the success of these endeavours have enabled the company to grow in a profitable manner.

The Company intends to continue with this market diversification strategy as it is an effective antidote to the business cycle in some geography. In order to sustain a singular objective of profitable growth the Company has made imperative to redouble our marketing efforts as the strike rate is expected to go down.

POWER SECTOR

Electricity Act 2003 enacted and came into force with effect from 15 June 2003 with an objective to introduce competition, protect consumer's interests and provide power for all. The electricity generation target of conventional sources for the year 2018-19 has been fixed as 1265 Billion Unit (BU). i.e. growth of around 4.87% over actual conventional generation of 1206.306 BU for the previous year (2017-18). The conventional generation during 2017-18 was 1206.306 BU as compared to 1160.141 BU generated during 2016-17, representing a growth of about 3.98%.

The electricity generation target of conventional sources for the year 2018-19 was fixed at 1265 BU comprising of 1091.500 BU thermal; 130.000 BU hydro; 38.500 nuclear; and 5.000 BU import from Bhutan.

However, this Sector has been witnessing slow down in capacity addition. This is due to world wide emphasis in renewable and solar power the cost of which have come down to the levels that enable to compete the coal fired power generation. However, it is well known that renewable power are source of infirm power and the only norm source of power providing power on demand is thermo electric power generation.

Therefore, once the capacity addition in renewable reaches its logical peak, there would be great emphasis

on coal fired power generation to augment and supplement the renewable power generation. We expect that over next 3 to 4 years investment in thermoelectric power generation will pick up, thus affording business opportunities to the company, which has traditionally been a strong player in coal fired power generating sector.

The 5 year plan (2012-2017) has seen record new capacity being set up and the next one (2017-2022) has even larger target of around 93000 MW. Despite the recent hiccups in this sector culminating in the cancellation of coal mines, the actual new capacity added at around 50000 mw is the largest ever. Over 25000 mw of capacity is there in the clogged pipeline. The successful auction of coal mines and the more objective approach to environmental clearances means that this pipeline should soon unclog. These projects will be in both State/PSU and Private Sectors.

Hence, over the next 7 years an investment of over Rs. 600000 Crores is expected in new domestic thermal power plants apart from investment in Renovation and Modernization.

In contrast the Nuclear Power Sector which is also of interest to the Company presents a bright future. While many issues including the availability of nuclear fuel have been resolved, the issues relating to the nuclear accident liability law close to resolution, most of the plant investments is likely to see the light of day sooner than later with a successful commission of 2 units of 1000 MW each light water reactor at Kudamkulam, based on Russian design, the Govt is ready to adopt technology from select countries having expertise and pushing ahead with construction phase.

WATER SECTOR

This sector encompasses several elements viz. pumping and distribution, treatment of raw and waste water including recycling and desalination. It covers urban and rural water supply, industrial water, sewage treatment and industrial waste water treatment.

Government Plans recognize the special challenges of water resources management facing India and the likelihood that these would only intensify over time due to rising population, expected growth in agricultural and industrial demand, the danger of pollution of water bodies and, over the longer term, the effect of climate stress on water availability in many parts of the country. The Eleventh Plan strategy for urban development included a departure from exclusive public sector monopoly over urban infrastructure and opening up possibilities of private investment in this area. While

private sector investment in water supply and sanitation has so far been quite insignificant, this is now expected to change.

The broad contours of the action plan for cleaning up of Ganga and other rivers along with Swachh Bharat programmes are now beginning to emerge. The magnitude of investments that will be required is stupendous. The capability to implement the projects may be beyond the abilities of municipal bodies. The Prime Minister has given broad and clear directions for the projects to be taken up in Mission Mode. For this new Institution are expected to be created.

The scarcity of water resources is compelling use of water that was hitherto not considered because of its poor quality like brackish water and sea water. With economically competitive technologies now being available for processing such water, use of desalination is expected to exponentially grow.

Already many projects have begun recycling of both their own waste water as well as nearby available municipal waste water. In fact the UMPP's are all expected to be designed for zero discharge and all waste water will be treated and recycled for internal use. This trend will also extend to other industries.

All in all, the water sector therefore has the greatest long term potential. The Water sector already provides, at an average, over the last five years, over 40% of our business as well as revenue, much of it overseas. Seeing the huge investments domestically, the Company is well placed to secure significant new business in this sector for several consecutive years.

In recent years the Company has identified water and waste water treatment as a focus area. As per the Govt. efforts to rejuvenate water bodies, in order that they are able to provide fresh potable water to the public (ever increasing) considerable investment is being directed to provision of proper treatment and disposal of waste water/sewage /drainage. Towards this end, Government has also availed of USD 1 billion line of credits from the World Bank. In order to ensure that the project waste water/sewage/drainage are built to international standard and also operates to its design capacity of production of affluent which complies with the non specified by the Pollution Control authorities these projects are being plant on PPP mode. Leveraging existing experience in water and waste water infrastructure, the Company is bidding for several treatment plants, both on its own, and where pre qualification requirements do not permit it to bid on it's own then the Company is forging tie ups on a case by case basis.

The company has already tied up with several technology

providers, specialising in sewage /waste water treatment system and participating few projects.

The company was successful in bagging technologically advanced Sewage Treatment Project in Bhutan; efforts are being made to acquire many more such projects either on DBO or PPP mode.

ELECTRICAL SECTOR

This sector provides multiple opportunities.

The most important ones are those emerging from rural electrification which aims at getting grid electricity to all except those villages which are too remote to be connected to the grid. This is already the source of the Company's major business and will ample provide further opportunities.

Apart from above, Government has come out with certain schemes which provides an ample of opportunities to the Company like us. Some of them are mentioned below:

Deen Dayal Upadhyaya Gram Jyoti Yojana (abbr. DDUGJY) is a Government of India scheme designed to provide continuous power supply to rural India. The government plans to invest ₹756 billion (US\$11 billion) for rural electrification under this scheme. The scheme will replace the existing Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY).

The DDUGJY scheme will enable to initiate much awaited reforms in the rural areas. It focuses on feeder separation (rural households & agricultural) and strengthening of sub-transmission & distribution infrastructure including metering at all levels in rural areas. This will help in providing round the clock power to rural households and adequate power to agricultural consumers. The earlier scheme for rural electrification viz. Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) has been subsumed in the new scheme as its rural electrification component.

The Saubhagya Scheme or Pradhan Mantri Sahaj Bijli Har Ghar Yojana is an Indian government project to provide electricity to all households. The project was announced in September 2017 by Prime Minister Narendra Modi. Certain households identified via the Socio-economic and Caste Census (SECC) of 2011 will be eligible for free electricity connections, while others will be charged 500 Rs. The total outlay of the project is Rs. 16,320 crore while the Gross Budgetary Support (GBS) is Rs. 12,320 crore.

Integrated Power Development Scheme (IPDS) was announced by the Government of India with the objectives of:

1. Strengthening of sub-transmission and distribution network in the urban areas;

2. Metering of distribution transformers /feeders / consumers in the urban areas.
3. IT enablement of distribution sector and strengthening of distribution network as per CCEA approval dated 21.06.2013 for completion of targets laid down under Restructured Accelerated Power Development and Reforms Programme (RAPDRP) for 12th and 13th Plans by carrying forward the approved outlay for RAPDRP to IPDS.

The scheme will help in reduction in AT&C losses, establishment of IT enabled energy accounting / auditing system, improvement in billed energy based on metered consumption and improvement in collection efficiency.

The estimated cost of the present scheme with the components of strengthening of sub-transmission and distribution networks, including metering of consumers in the urban areas is Rs. 32,612 crore which includes the requirement of budgetary support from Government of India of Rs. 25,354 crore over the entire implementation period.

Further the Company is also exploring opportunities in the AIS/GIS Substation Space.

The modernization and expansion of the Indian Railways opens up an entirely new, though related, sector. While opportunities will emerge in many types of project work, the Company will mainly target the railway electrification business.

Industrial electrification is another area, though largely a small niche covering those customers who seek a single turnkey EPC solution for their electrification needs.

INDUSTRIAL SECTOR

A sector where the Company has traditionally secured and executed a fairly large volume of business in last 7 years, lately it has not been providing any significant opportunities, on account of the economic slowdown. The higher economic growth expected from FY 2018 onwards is expected to result in several new investments in this sector and thereby provide fresh business opportunities to the Company. These opportunities would relate to various Balance of Plant Systems like LP Piping, Fuel Oil Systems, Water supply etc.

COMPARISON OF PERFORMANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018 VIS-À-VIS FINANCIAL YEAR ENDED MARCH 31, 2017

The overall performance of the Company has been much satisfactory during the year. Brief performance of the Company is as follows:

Rs. In Crore

Particulars	FY 2017-18	FY 2016-17	Variation
Total Income	437.46	403.51	↑ 8.41%
PBDIT	55.65	39.50	↑ 40.89%
Interest and Financial Charges	29.58	20.44	↑ 44.71%
Depreciation	4.14	4.93	↓ (16.02%)
Profit Before Tax	20.93	14.14	↑ 48.02%
Profit After Tax	14.44	8.62	↑ 67.52%
EPS	13.77	8.22	↑ 67.52%

It is to be noted that EBIDTA margin which has been gradually rising over the past four years has reached its all-time high level of 12.57% for the current year (against 9.82% during the preceding year).

It may be seen from the above table that PAT & EPS has also shown a significant growth as compared to the previous year.

Finance costs which amounted to 49.3 million in the year ended 31 March, 2017 decreased by 16.02% to Rs 41.4 million in the year ended 31 March, 2018.

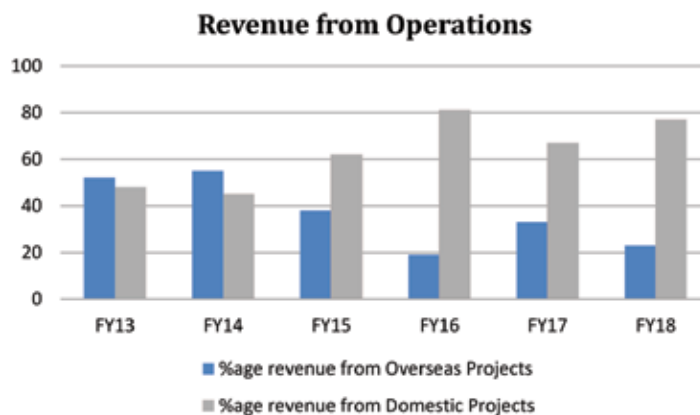
PERFORMANCE: SEGMENTWISE –GEOGRAPHICAL BREAKUP

While considering the revenue from different verticals,

the Company treats all its operations as a single vertical. However for the benefit of investors, the contribution of individual sectors to revenue and its comparison with previous years is given below:

SECTOR	FY 2015-16	FY 2016-17	FY 2017-18
Conventional Power	4%	5%	3.00%
Oil & Gas	3%	6%	negligible
Water & Waste Water Treatment	28%	32%	30.00%
Industrial & Infrastructure Sectors	2%	3%	11.50%
Electrical sub stations and Distribution	63%	55%	55.50%
Other Sales			negligible
TOTAL	100%	100%	100%

Internationally, company is focused on Sub Saharan Africa and South Asia. As we see in the above table that there is a continuous churning in the relative contribution of individual sector. Similarly the revenue from overseas business has also been continuously varying as the chart below demonstrates:



In Overseas, the Company mainly, but not solely, pursues projects funded by multilateral funding bodies like World Bank, African Development Bank, Asian Bank, EXIM Bank etc. By their very nature such projects are in the social sector and cover areas like Water and Sanitation, Electricity Distribution.

Such projects are largely in Africa and to an extent in South Asia and Asia Pacific Region. So far the Company is executing/has executed projects in 11/12 countries in Africa, Viz. Kenya, Tanzania, Ethiopia, Malawi, Zambia, Ghana, Bhutan and Liberia apart from one country in Asia Pacific Region i.e. Fiji. Sub Saharan Africa alone provides good opportunities not only in the eight countries that Company has already worked in but also in the remaining over two dozen countries.

As regards projects in the private sector, these are approached with caution due to concerns on funding and payment issues. So far the Company has done only one project for the private sector overseas and this incidentally is in the

Oil and Gas Sector and is also the Company's largest completed project to date.

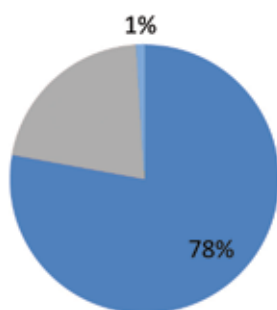
Internationally, we continue to see good opportunities particularly in Africa and South Asia. We have developed a dedicated marketing team for International business, which identifies a few countries where we are focussing. Indian government's recent enhanced focus on Africa in terms of economic cooperation is an encouraging factor. Apart from Multilateral Agency funded projects we are identifying projects being funded by Indian government and Exim Bank for pursuing business opportunities. Our efforts have yielded satisfactory results so far.

ORDER BOOK

The Company has secured new business worth Rs. 613 Cr during the financial year 2017-18. All orders were from the water sector out of which the overseas orders accounted for approx. 33%. The average order size continues to be large in accordance with the Company's strategy of focussing on fewer but larger sized orders. The Company has a robust order book of about Rs. 2,000 Cr that is largely comprised of orders from the Water & Electrical Sectors. The following charts depict %age breakup of the order backlog considering various aspects:

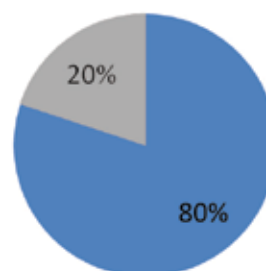
Source of Funding

- Multilateral / Central Govt. Funded
- State Govt. Funded
- Private Sector Funded



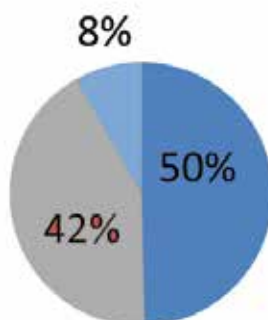
Geographical Break-up of Order Backlog

- Domestic Projects
- International Projects



Sectorial Break-up of Order Backlog

- Water (Supply, Water & Wastewater Treatment)
- Electrical (Transmission, Distribution and Sub-Stations)
- Misl. (Power, Industrial, Oil & Gas, Petro.)



Besides a rich order book, the Company continues to look for more orders both domestically as well as overseas, at decent margins. Apart from the Electrical and Water Sectors, the Company is exploring opportunities in the Power & Industrial Sectors and the Railways Sector. Further the company is also scouting for business beyond its traditional operational geographies. The results of such efforts may be visible in the next year or two.

The Company has substantial outstanding bids to the tune of approximately Rs. 4,500 Cr. In the near term, we are expecting new orders (L1 Position) to the tune of Rs. 150 Cr and targeting an additional order intake of Rs. 1,200 Cr during the balance year.

THE YEAR AHEAD

The current Govt. brought strong expectations that the economic log jam would be sorted out and that the economy would be once again move on to a stronger growth trajectory.

Many positive steps have been taken by the current Government like Demonetization, Make in India, Swachh Bharat, Namami Ganga and most important implementation of GST etc. These have however proved to be merely a first step on the long road.

Stalled projects in the power and industrial sector which continue to be held up are expected to resume next year. There is already positive movement in the road sector. There are strong hopes in the water sector, particularly the river rejuvenation program, and in the railway sectors. Both sectors are in the process of overcoming major challenges viz., the ownership structure of the Ganga Action Plan and other river schemes in the Water sector, and finances for the railway sector. Results are expected to provide good business opportunities to our Company in FY 2018-19 and onwards.

The company expects the newer business to be embedded with higher margins. It has taken several initiative to enhance the profitability of the Company, which includes:

- Diversifying beyond the traditional Thermal Power Sector into newer segments yielding higher margins. The company had also set up a special business unit (SBU) for electric distribution and rural electrification and the fruits of the same have resulted in substantial orders.
- Fast and optimal Design & Engineering using in house capabilities, which have in recent times been substantially enhanced, both in terms of manpower and in terms of latest design software. This has helped in providing optimal and timely

Bill of Quantities and engineering support which in turn will facilitate speedy project execution.

- Use of advanced project management techniques has contributed to improving on timely completion of projects.
- Strengthening Supply Chain Management and Logistics.
- Procurement at reduced cost.
- Ensuring quality and timely delivery of material ordered.
- Incremental expenditure on plant and machinery ensures proper utilization of site resources. Increased emphasis on site fabrication and erection activities to eliminate any possibility of extension of work beyond scheduled time of completion.
- The Company has benefitted by investing on its own Construction Machinery. This has resulted in speedier construction and lower overheads apart from savings in sub contractor costs.
- The Company has set up a dedicated team for monitoring, billing and follow up of payment from customers.

Risks and Concern

- The long duration of the Company's projects by itself creates several risks and uncertainties. This includes possibilities of slowdowns, escalation in input prices etc.
- If customer faces funding problems, the same can adversely impact the Company's receivables.
- Fair portion of the Company's business is from overseas with attendant risks arising out of sudden or sharp variations in exchange rates.
- The Company may face difficulties in attracting fresh manpower and retaining its employees. The Company is taking several steps to mitigate this problem.

Overview of Business Opportunities

I. SECTORAL OVERVIEW

Though the Company has capabilities to undertake turnkey EPC Services across diverse sectors and geographies, two sectors have contributed to the vast majority of business and revenue, viz. the Water Sector and the Electrical Sector. The other sectors viz. the Thermal Power, Nuclear Power, Industrial, Oil & Gas had relatively low contribution. This is merely a reflection of the continuing lack of investments in these sectors, a reversal of which would go a long way in

enabling the Company to grow in a manner seen in the period 2017 to 2022. Major customers during the year included, Rajasthan Urban Infrastructure Development Project, Thimphu Thromde, Bhutan, Ministry of Water, Uganda, Public Utilities Corporation, Seychelles, Rwanda Agricultural Board, Uttar Pradesh Power Transmission Corporation etc.

II. GEOGRAPHICAL SPREAD

The Company has continued to maintain a strong focus on geographical diversity. Apart from Sub Saharan Africa, the other geographies of interest are in Seychelles, Bhutan and closer home in SAARC. During the year your Company continued to execute business secured in Rwanda, Kenya, Liberia, Tanzania and Zimbabwe. Around a forth of the Company's revenues were contributed by the overseas assignments.

In continuation of, based on our Projects successfully executed, in mainland Africa, we have been chosen as a preferred contractor for the European Investment Bank funded, Sewerage collection and Treatment Projects in two Islands namely Mahe & La Digue of the Republic of Seychelles.

We have commenced execution of Establishment of Centre for Excellence for Rwanda Agriculture Board, a project financed by Exim Bank of India in the concessional line of credit scheme, valued at USD 12 Million. This project would be executed in the next one year and shall be completed in the FY 2018-19.

III. FRESH BUSINESS SECURED

The company continued to put great emphasis on securing new business from existing as well as new customers and new geographies.

IV. ECONOMIC AND BUSINESS OUTLOOK

By the last couple of years has been difficult in terms of economic and business growth progress in the country. With the Govt of India loosening the investment string even in the cost of overshooting physical debt target the number of opportunities in the areas that we are operating in, notably the water and sanitation sector and electrical power distribution sector has increased manifold.

V. STRATEGIC INITIATIVES

The Company continues to work on its ongoing strategic initiatives viz:

- Focus on improving efficiency through use of technology and organizational development;

- Focus on Quality;
- Employee welfare along with Training and development and
- Market diversity.

While continuing to adhere to its traditional practices, viz:

- the philosophy of "keep it simple";
- to retain a lean, non hierarchical structure with an effective but simple, no frills office culture and
- maintain an informal, achievement oriented, merit and loyalty rewarding work atmosphere.

During the year, the Company set up a dedicated team focused purely on closing out a large number of older projects which had been substantially completed and in operation by the respective Customers, but which lacked formal closure for a variety of reasons.

Technofab Engineering Limited has been a very active participant in such particular opportunities both in Indian Subcontinent and in Africa, having executed such projects in almost all the States of India and in more than 11 countries in Africa.

With the above flood of opportunities, Technofab Engineering Limited would successfully undertake projects so as to incrementally increase its annual revenue by at least 25%.

Threats

- Domestic & Foreign Govt. Regulations which may affect our Projects
- Muted economic environment
- Intensity in fluctuation in forex rates
- Ability to manage attrition and manpower cost

QUALITY (QMS) , HEALTH, SAFETY AND ENVIRONMENT (HSE)

The Company believes that "Quality is a state of mind" and is committed to a continuous ongoing initiative in this direction and is committed "To provide and maintain safe and healthy work environment for all personnel within the organization and to continually improve in safe working conditions to make incident free work zone." Accordingly the Company has always laid emphasis on HSE and made efforts to evolve this as a critical brand differentiator for the Company in the market place. This has been possible due to the dedicated work put in by the team members and support provided by all the employees of the organization. The Company is committed towards ensuring safe working and eliminating hazards and in protecting the environment

including reduction in paper & power consumption and proper disposal of construction & electronic waste.

The Company is accredited to ISO 9001:2004 and ISO 14001:2004 for Health, Safety and Environment and OHSAS 18001:2007 for Occupational Health and Safety Assessment series. The company is in the process of merging these three standards into single document i.e. IMS (integrated Management System) that will combine all the three standards into single standard based on the latest revisions of 2015 standards.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company management recognises the necessity, and has had in place adequate systems of internal controls. It is firmly believed that a strong internal control system with flexibility is imperative to realize Company's vision. Accordingly the company always gives priority to it to achieve the following objectives:-

1. Efficiency of operation
2. Accuracy and promptness of financial reporting
3. Safeguard of Company assets
4. Compliance with laid down policies and procedures.
5. Compliance with rule and regulations.

The Company has a reasonably robust Internal audit team which reports to the Audit Committee of the Board and a formal Risk Management Policy is in place.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

As on 31 March 2018, the company has 467 employees in its family beside hundreds of employees of its Contractors and suppliers.

The Company follows a philosophy whereby employee empowerment is a key area of focus. The Company strongly values the individuality of its employees, which ultimately results in a management, operations and training philosophy distinct from that of our competitors. The Company has a number of ongoing initiatives related to employee development. Apart from various training programmes relating to the needs of the Company, there are initiatives to identify and groom future leaders.

Industrial and employee relations with the Company remain cordial throughout the year. It has been with the fulfilment of our market commitments, prompt communication, and participation in social activities and to provide challenging and safe working atmosphere in the company, wherein every employee can develop his own strength and deliver his expertise in the interest of the Company.

The Board of Directors on record thanks to all of the employees for their valuable contribution towards the growth of the company. Technofab Engineering encourages its team members to go beyond the scope of their work, undertake voluntary projects that enable to learn and contribute innovative ideas in meeting goals of the company.

CONTINGENT LIABILITY

The Contingent Liability may be primarily due to the performance and bank guarantees given by the Company to its Clients at the time of award of the project which continues to exist till the completion of the project as per the terms of the agreement with the Client. The track record of the Company does not reflect any threat on the financial stability of the Company due to such contingent liabilities and the management does not foresee any substantial threat of such contingent liabilities becoming real liability. There has not been any major increase in the Contingent Liability during the year under review.

FORWARD LOOKING STATEMENTS

Statements in this Management Discussion and Analysis of Financial Conditions and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of the future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statements. Important factors that could influence the Company's operations include interconnect usage charges, determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Accounting Standards notified under Section 133 of the Act. The management of Technofab Engineering Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect, in a true and fair manner, the state of affairs for the year.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TECHNOFAB ENGINEERING LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying Standalone financial statements of TECHNOFAB ENGINEERING LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, including the statement of other Comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements to give a true and fair view of the financial position, financial performance including other Comprehensive income and cash flows and the statement of change in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit including other comprehensive income and its cash flows and the Statement of Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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.
 - (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.
 - (c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting

Standards) Rules, 2015 as amended.

- (e) On the basis of written representation received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March, 2018 on its financial position in its financial statements – Refer Note 45
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2018
 - iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2018.

For G C Agarwal & Associates
Chartered Accountants
Firm Registration No: 017851N

Place: New Delhi
Date: 26th May, 2018

G. C. Agarwal
Proprietor
M.No. 083820

Annexure – A to the Independent Auditors’ Report

Referred to in paragraph 10 (f) of the Independent Auditors’ Report of even date to the members of **TECHNOFAB ENGINEERING LIMITED** on the standalone financial statements for the year ended 31st March, 2018

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

1. We have audited the internal financial controls over financial reporting of TECHNOFAB ENGINEERING LIMITED (“the Company”) as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 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.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding

prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting

may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G C Agarwal & Associates
Chartered Accountants
Firm Registration No: 017851N

Place: New Delhi
Date: 26th May, 2018

G. C. Agarwal
Proprietor
M.No. 083820

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of TECHNOFAB ENGINEERING LIMITED on the Standalone financial statements as of and for the year ended 31st March, 2018

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.
- (b) As explained to us, the management during the financial year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The title deeds of immovable properties are held in the name of the company.
2. (a) According to the information and explanations given to us the inventories have been physically verified by the management during the year at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company has maintained the proper records of inventories. The discrepancies noticed on verification between the physical verification and the book records were not material and have been properly dealt with in the books of accounts.
3. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a) and (b) of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, with respect to loans and investment made. As per the information and explanation given to us, the Company has not given any guarantee or provides any security in connection with a loan to anybody corporate or person.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. To the best of our knowledge and as explained, the maintenance of cost records as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) Undisputed statutory dues including provident fund, employee' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues in respect of service tax, duty of customs, duty of excise wherever applicable to the company which have not been deposited with the appropriate authorities on account of any dispute. The due in respect of Income tax, Sales-tax, WCT and value added tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending is given below:

Name of the Statute	Name of dues	Amount	Period to which the amount relates	forum where dispute is pending
Orissa Sales Tax, Orissa	Works Contract Tax	1,355,000	2002-03	Before Sales Tax Tribunal-Orissa
Contral Sales Tax Act 1956, Delhi	Central Sales Tax	3,653,158	2010-11	Before Sales Tax Tribunal-New Delhi
Contral Sales Tax Act 1956, Delhi	penalty on CST wrongly assessed	3,571,082	2010-11	Before Sales Tax Tribunal-New Delhi
MP VAT Act, 2002 (MP)	Local Sales Tax	477,351	2014-15	Dy. Commissioner (Appeals) Bhopal (MP)
MP VAT Act, 2002 (Maharashtra)	Local Sales Tax	2,932,732	2010-11	Jt. Commissioner (Appeals), Mumbai
MP VAT Act, 2002 (Maharashtra)	Central Sales Tax Interest amount	3,755,130 2,175,322	2011-12	Jt. Commissioner (Appeals), Mumbai
MP VAT Act, 2002 (Maharashtra)	Local Sales Tax Interest amount	1,987,912 1,521,862	2012-13	Jt. Commissioner (Appeals), Mumbai
WB VAT Act, 2003 (West Bengal)	Local Sales Tax	6,487,777	2014-15	WB Appellate and Board, Kolkata
Income Tax Act, 1961	Expenditure disallowed	571,960	2013-14	CIT Appeal, New Delhi

8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks and financial institutions. The company does not have any dues to government or debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For G C Agarwal & Associates
Chartered Accountants
Firm Registration No: 017851N

Place: New Delhi
Date: 26th May, 2018

G. C. Agarwal
Proprietor
M.No. 083820

BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	NOTE NO.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
(1) Non-Current Assets				
Property, Plant and Equipment	5	541,028,778	558,987,473	622,344,687
Other Intangible assets	6	2,677,345	2,917,250	1,876,193
Financial Assets				
(i) Investments	7	107,444,573	107,862,450	107,880,031
(ii) Other Financial Assets	8	247,513,831	119,722,940	49,786,146
Other Non Current Assets	9	8,164,226	1,198,106	213,034
		906,828,753	790,688,219	782,100,091
(2) Current Assets				
Inventories	10	424,263,419	372,777,838	442,549,504
Financial Assets				
(i) Investments	11	205,461,172	12,177,473	6,275,124
(ii) Trade Receivables	12	4,343,890,555	3,354,809,488	3,209,255,530
(iii) Cash and Cash Equivalents	13	72,125,994	72,333,468	39,923,641
(iv) Other Bank balances other than (iii) above	14	461,065,417	407,726,961	471,444,748
(v) Other Financial Assets	15	107,705,515	25,832,065	13,745,808
Current Tax Assets (Net)	16	79,310,798	93,803,623	76,512,070
Other Current Assets	17	268,331,373	336,062,449	401,250,545
		5,962,154,243	4,675,523,365	4,660,956,970
Total		6,868,982,996	5,466,211,584	5,443,057,061
EQUITY AND LIABILITIES				
(1) Shareholder's Funds:				
Equity Share Capital	18	104,900,000	104,900,000	104,900,000
Other Equity	19	2,674,507,743	2,537,262,746	2,447,510,261
		2,779,407,743	2,642,162,746	2,552,410,261
(2) Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	20	125,663,585	34,684,410	54,993,064
(ii) Other Financial Liabilities	21	406,864	406,864	357,364
Provisions	22	8,485,863	8,216,929	6,047,956
Deferred Tax Liabilities (Net)	23	24,187,271	26,308,538	28,124,918
Other Non Current Liabilities	24	828,247,360	361,419,584	299,515,902
		986,990,943	431,036,325	389,039,204
(3) Current Liabilities				
Financial Liabilities				
(i) Borrowings	25	884,003,177	936,581,244	877,000,472
(ii) Trade Payables				
Dues to Micro and Small Enterprises	-	-	-	-
Dues to Others	26	1,876,195,874	1,086,344,067	1,423,022,580
(iii) Other Financial Liabilities	27	20,451,014	19,840,277	20,262,315
Other Current Liabilities	28	316,677,205	345,242,591	175,790,860
Provisions	29	5,257,040	5,004,334	5,531,369
		3,102,584,300	2,393,012,513	2,501,607,596
Total		6,868,982,996	5,466,211,584	5,443,057,061

See accompanying notes forming part of the statements 1 to 51
 In term of our report attached

As per our report attached
For G C Agarwal & Associates
Chartered Accountants
Firm Reg. No.017851N

G. C. Agarwal
Proprietor
Mem. No.083820

Date : 26.05.2018
Place : New Delhi

For and on behalf of Board of Directors

Avinash C Gupta
Managing Director
DIN - 00012077

Sandeep Kumar Vij
Chief Financial Officer
Mem. No.076443

Arjun Gupta
Whole-time Director
DIN-00012092

Suman Kumar Verma
Company Secretary
Mem. No.F7409

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	NOTE NO.	Year Ended March 31, 2018	Year Ended March 31, 2017
REVENUE :			
Revenue from Operations	30	4,348,496,696	4,021,715,961
Other Income	31	23,574,210	13,345,938
Total Revenue		4,372,070,906	4,035,061,899
EXPENSES :			
Cost of Materials Consumed	32	2,733,759,605	2,664,038,193
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(12,969,702)	(66,262,256)
Expenditure on Contracts	34	419,899,408	358,556,213
Employee Benefit Expense	35	449,204,801	430,480,134
Finance Costs	36	295,825,900	204,437,505
Depreciation and Amortization Expense	5 & 6	41,430,806	49,270,179
Other Expenses	37	235,587,331	253,181,936
Total Expenses		4,162,738,149	3,893,701,904
Profit Before Tax		209,332,757	141,359,995
Tax Expense :			
- Current Tax		74,500,000	52,300,000
- Deferred Tax		(3,045,670)	(2,448,388)
- Tax Adjustment for Earlier Years		2,380,093	2,950,080
Total Tax Expenses		73,834,423	52,801,692
Profit after tax for the year		135,498,334	88,558,303
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(a) Re-measurement gains (losses) of defined benefit plans		2,425,350	1,770,884
Income tax effect on above		(839,366)	(612,868)
(b) Equity Instruments through Other Comprehensive Income			
Gain on Fair valuation of Long Term Investment		245,716	55,306
Income tax effect on above		(85,037)	(19,140)
Total Other Comprehensive Income		1,746,663	1,194,182
Total Comprehensive Income for the year		137,244,997	89,752,485
Earning per share (₹)			
Basic		12.92	8.44
Diluted		12.92	8.44
Face Value of Share (₹)		10.00	10.00

See accompanying notes forming part of the statements 1 to 51
In term of our report attached

As per our report attached.
For G C Agarwal & Associates
Chartered Accountants
Firm Reg. No.017851N

G. C. Agarwal
Proprietor
Mem. No.083820

Date : 26.05.2018
Place : New Delhi

For and on behalf of Board of Directors

Avinash C Gupta
Managing Director
DIN - 00012077

Arjun Gupta
Whole-time Director
DIN-00012092

Sandeep Kumar Vij
Chief Financial Officer
Mem. No.076443

Suman Kumar Verma
Company Secretary
Mem. No.F7409

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

A. Equity Share Capital	Balance as at 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018
	104,900,000	-	104,900,000	-	104,900,000

(Amount in ₹)

B. Other Equity	Securities Premium Reserve	General Reserve	Retained Earnings	Items of Other Comprehensive Income		Total
Particulars				Items that will not be reclassified to Profit and Loss		
				Remeasurement of Defined Benefit Plans	Equity Instruments through Other Comprehensive Income	
Balance as at April 1, 2016	701,942,133	745,794,057	999,774,071	-	-	2,447,510,261
Profit for the year ended 31st March, 2017	-	-	88,558,303	-	-	88,558,303
Less: Transferred to General reserve	-	25,000,000	(25,000,000)	-	-	-
Re-measurement gains (losses) on defined benefit plans	-	-	-	1,158,016	-	1,158,016
Gain on Fair valuation of Long Term Investment	-	-	-	-	36,166	36,166
Balance as at March 31, 2017	701,942,133	770,794,057	1,063,332,374	1,158,016	36,166	2,537,262,746
Less: Transferred to General reserve	-	40,000,000	(40,000,000)	-	-	-
Profit for the year ended 31st March, 2018	-	-	135,498,333	-	-	135,498,333
Re-measurement gains (losses) on defined benefit plans	-	-	-	1,585,984	-	1,585,984
Gain on Fair valuation of Long Term Investment	-	-	-	-	160,679	160,679
Balance as at March 31, 2018	701,942,133	810,794,057	1,198,830,707	2,744,000	196,845	2,674,507,743

See accompanying notes forming part of the statements 1 to 51
 In term of our report attached

As per our report attached.
 For G C Agarwal & Associates
 Chartered Accountants
 Firm Reg. No.017851N

For and on behalf of Board of Directors

G. C. Agarwal
 Proprietor
 Mem. No.083820

Avinash C Gupta
 Managing Director
 DIN - 00012077

Arjun Gupta
 Whole-time Director
 DIN-00012092

Date : 26.05.2018
 Place : New Delhi

Sandeep Kumar Vij
 Chief Financial Officer
 Mem. No.076443

Suman Kumar Verma
 Company Secretary
 Mem. No.F7409

CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31ST MARCH, 2018

PARTICULARS	For the year Ended March, 31, 2018	For the year Ended March, 31, 2017
(A) CASH FLOW OPERATING ACTIVITIES	₹	₹
Net Profit Before Tax and Extraordinary Item	209,332,757	141,359,995
Adjustment for :		
Depreciation	41,430,806	49,270,179
Interest Expenses	182,239,905	98,947,980
Loss on Sale of Property, Plant and Equipments (Net)	1,442,583	3,632,946
Dividend Income	(278,362)	(2,798)
Bad debts	125,554,258	116,195,012
Gain on Fair Valuation of Mutual fund	(705,789)	(902,549)
Interest Income on fair valuation of Security Deposit	(100,638)	(86,653)
Profit on sale of Investments (Net)	(98,089)	-
Unrealised foreign exchange fluctuation	(17,354,859)	26,263,534
Operating Profit before Working Capital Changes	541,462,572	434,677,646
Adjustment for :		
Trade receivables	(1,097,280,466)	(288,012,503)
Loans and Advances and other assets	(202,237,841)	45,897,760
Inventories	(51,485,581)	69,771,666
Trade and Other payables	1,231,306,903	(101,805,472)
Cash Generated from Operation	421,765,587	160,529,097
Direct Taxes Paid	(62,387,267)	(72,541,633)
Net Cash Flow from Operating Activities	(A) 359,378,320	87,987,464
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(28,190,499)	(15,261,633)
Sale of Fixed Assets	3,515,710	24,674,664
Sale / (Purchase) of Investments (Net)	(192,061,945)	(4,982,219)
Dividend Received	278,362	2,798
Net Cash from (-used) in Investing Activities	(B) (216,458,372)	4,433,610
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(182,139,267)	(98,861,327)
Proceeds / (Repayment) from / of Long term Borrowings (Net)	91,589,912	(20,730,692)
Proceeds / (Repayment) from / of Short term Borrowings (Net)	(52,578,067)	59,580,772
Net Cash Flow From Financing Activities	(C) (143,127,422)	(60,011,247)
Net Increase in Cash and Cash Equivalents	(A+B+C) (207,474)	32,409,827
Cash & Cash Equivalents (Opening Balance)	72,333,468	39,923,641
Cash & Cash Equivalents (Closing Balance)	72,125,994	72,333,468

See accompanying notes forming part of the statements 1 to 51
In term of our report attached

As per our report attached.
For G C Agarwal & Associates
Chartered Accountants
Firm Reg. No.017851N

For and on behalf of Board of Directors

G. C. Agarwal
Proprietor
Mem. No.083820

Avinash C Gupta
Managing Director
DIN - 00012077

Arjun Gupta
Whole-time Director
DIN-00012092

Date : 26.05.2018
Place : New Delhi

Sandeep Kumar Vij
Chief Financial Officer
Mem. No.076443

Suman Kumar Verma
Company Secretary
Mem. No.F7409

NOTE: 1 SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2017

1. Corporate and General Information

Technofab Engineering Limited (the Company) is domiciled and incorporated in India on 20th July, 1971. The registered office of the company is situated at 507, Eros Apartments, 56, Nehru Place, New Delhi – 110 019, India.

The Company has been incorporated with the main object to carry on the business of Civil, Electrical, Mechanical contractors, Designers, Engineering consultants-technical, managerial, industrial consultants or otherwise as also manufacturers, trader, builders and contractors of every type.

2. Basis of preparation

The Company has adopted IND AS for the financial year beginning on April 1, 2017 with April 1, 2016 as the date of transition. These are the Company's first annual financial statements prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015 (as amended). The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as of April 1, 2016 and March 31, 2017 and on the net profit and cash flows for the year ended March 31, 2017 is disclosed in Note no. 49 to these financial statements.

The significant accounting policies used in preparing the financial statements are set out in Note No. 3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to

accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note No. 4 on critical accounting estimates, assumptions and judgements).

3. Significant Accounting Policies

3.1 Basis of Measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention except the following which have been measured at fair value:

- Financial assets and liabilities, (carried at amortised cost),
- Defined benefit plans – plan assets measured at fair value,
- Property, plant and equipment on transition to IND AS, (refer Note no.5 to the financial statements).
- Investment in subsidiaries on transition to IND AS (refer note 7 to the financial statements).

3.2 Property, Plant and Equipment

- a) For transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure land under the head 'Property, Plant and Equipment' at fair value. (Refer Note no.5 to the financial statements). Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Depreciation is provided on Straight Line Method over the remaining useful life of the assets in the manner prescribed in Schedule II of the Companies Act, 2013.
- c) The 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 the Statement of Profit and Loss on the date of disposal or retirement.

3.3 Intangible Assets

Identifiable intangible assets are recognised a) when the Company controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Company and c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding four years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

3.5 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition.

3.6 Employee benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- b) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience, adjustments and

changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

- c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d) The cost of providing gratuity, a defined benefit plan, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience, adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in Statement of Profit and loss.

3.7 Foreign currency reinstatement and translation

- a. Functional and presentation currency
These financial statements have been presented in Indian Rupees (Rupees), which is the Company's functional and presentation currency.
- b. Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.8 Financial instruments – initial recognition, subsequent measurement and impairment

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

A. Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

i. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

ii. Investment in equity shares

For transition to IND AS, the Company has adopted optional exception under IND AS 101 to fair value

its investments in subsidiaries.

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. In the case of long term investments, the gain/(loss) are recognized through Other Comprehensive Income. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.

B. Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities are classified in two categories; subsequent measurement of financial assets is dependent on initial categorisation. These categories and their classification are as below:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

ii. Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

iii. Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.9 Equity share capital

Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

3.10 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization

rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.11 Taxation

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.12 Revenue recognition and other operating income

Revenue from construction contracts

Revenue from construction services are recognised on percentage completion method on invoicing of services and transfer of goods. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Estimated loss on project activity to be undertaken in future years is provided for.

Other Income

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Export Benefits

Export benefits i.e. duty drawback is accounted for only when the right to receive the same is established.

Dividend

Dividend income is recognised when the right to receive dividend is established.

3.13 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.14 Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an

outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Gratuity and leave encashment provision

Refer Note no 3.6 for provision relating to gratuity and leave encashment.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.15 Exceptional items

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

3.16 Investment in Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. However, the company has taken voluntary exemption under IND AS 101 for transition to IND AS and to value investments in subsidiaries at fair value on the date of transition i.e. April 1, 2016.

3.17 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.18 Dividend and dividend distribution tax

Annual dividend distribution to the shareholders is recognised as a liability in the period in which

the dividend are approved by the shareholders. Any interim dividend paid is recognised on approval by board of directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

3.19 Recent accounting development

Standards issued but not yet effective:

Ind AS 115 - Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs had notified Ind AS 115 (Revenue from Contracts with Customers) which would be applicable for accounting periods beginning on or after 1 April 2018. This Standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Revenue is recognised when a customer obtains control of a promised good or service. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

The Company is in the process of assessing the detailed potential impact of Ind AS 115, Revenue from Contracts with Customer on its financial statements and related disclosures. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements.

Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

In March, 2018, the Ministry of Corporate Affairs (MCA) has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which would be applicable for accounting periods beginning on or after 1 April 2018. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

Presently the Company is not able to reasonably estimate the impact of the application of the appendix B on the financial statements.

4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following

estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(b) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect

of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(c) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

(d) Insurance claims

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

Notes to the standalone financial statements

Note - 5 Property, Plants and Equipments

Particulars	Land	Temporary Structure	Buildings	Barges	Plant and Equipments	Furniture and Fixture	Office Equipment	Vehicles	Computer	Total
Gross Block										
As at April 1, 2016	258,272,580	19,929,095	53,935,241	80,401,884	151,729,051	2,245,279	1,983,665	49,935,848	3,912,044	622,344,686
Additions	-	289,377	-	-	3,075,450	270,979	687,945	7,653,250	1,298,191	13,275,192
Adjustment	24,687,580	615,504	-	-	3,760,035	447,387	-	2,297,503	35,236	31,843,245
As at March 31, 2017	233,585,000	19,602,968	53,935,241	80,401,884	151,044,466	2,068,872	2,671,610	55,291,595	5,174,999	603,776,634
Additions	-	1,098,664	-	-	10,067,821	1,395,072	-	11,654,261	3,031,105	27,246,923
Adjustment	-	-	-	-	6,673,849	112,195	20,490	5,171,057	209,735	12,187,326
As at March 31, 2018	233,585,000	20,701,632	53,935,241	80,401,884	154,438,438	3,351,748	2,651,120	61,774,799	7,996,369	618,836,231
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-
As at April 1, 2016										
Charge for the year	-	11,514,338	1,492,981	5,999,562	16,401,994	445,925	953,879	9,301,710	2,214,406	48,324,795
Adjustment	-	584,729	-	-	1,864,963	109,323	-	949,726	26,893	3,535,634
As at March 31, 2017	-	10,929,609	1,492,981	5,999,562	14,537,031	336,602	953,879	8,351,984	2,187,513	44,789,161
Charge for the year	-	3,496,942	1,492,981	5,999,562	16,369,577	445,859	561,447	9,982,524	1,898,433	40,247,325
Adjustment	-	-	-	-	2,556,560	72,556	19,466	4,381,203	199,248	7,229,033
As at March 31, 2018	-	14,426,551	2,985,962	11,999,124	28,350,048	709,905	1,495,860	13,953,305	3,886,698	77,807,453
Net Carrying Amount										
As at April 1, 2016	258,272,580	19,929,095	53,935,241	80,401,884	151,729,051	2,245,279	1,983,664	49,935,848	3,912,043	622,344,687
As at March 31, 2017	233,585,000	8,673,359	52,442,260	74,402,322	136,507,435	1,732,270	1,717,731	46,939,611	2,987,485	558,987,473
As at March 31, 2018	233,585,000	6,275,081	50,949,279	68,402,760	126,088,390	2,641,843	1,155,260	47,821,494	4,109,670	541,028,778

Notes to the standalone financial statements

Note - 6 Other Intangible assets

(Amount in ₹)

Particulars	Software	Total
Gross Block		
As at April 1, 2016	1,876,193	1,876,193
Additions	1,986,441	1,986,441
As at March 31, 2017	3,862,634	3,862,634
Additions	943,576	943,576
As at March 31, 2018	4,806,210	4,806,210
Accumulated Depreciation		
As at April 1, 2016	-	-
Charge for the year	945,384	945,384
As at March 31, 2017	945,384	945,384
Charge for the year	1,183,481	1,183,481
As at March 31, 2018	2,128,865	2,128,865
Net Carrying Amount		
As at April 1, 2016	1,876,193	1,876,193
As at March 31, 2017	2,917,250	2,917,250
As at March 31, 2018	2,677,345	2,677,345

Notes to the standalone financial statements

Note -7 Non-current Investments

Particulars	Face Value	Qty. in nos.	As at 31.03.2018	Qty. in nos.	As at 31.03.2017	Qty. in nos.	As at 01.04.2016
Non-current Investments - Non Trade			₹		₹		₹
(Long Term Investments at Fair Value)							
Designated at fair value through Other Comprehensive Income							
(I) Equity Shares, Fully Paid up (quoted)							
Ahluwalia Contracts Ltd.	2	100	37,590	100	31,375	100	30,320
C & C Construction Ltd.	10	100	4,645	100	3,530	100	1,025
Hind Dorr-Oliver Ltd.	2	74037	322,061	74037	707,053	74037	788,494
Hindustan Construction Ltd.	1	100	2,220	100	3,955	100	1,950
IVRCL Infrastructure Ltd.	2	100	300	100	495	100	640
Larsen & Toubro Ltd.	2	225	196,635	150	236,235	150	182,505
Nagarjuna Construction Ltd.	2	100	11,755	100	8,195	100	7,580
Patel Engineering Ltd.	1	100	6,025	100	7,860	100	5,555
Shriram EPC Ltd.	10	200	5,240	200	5,550	200	5,060
Unitech Ltd.	2	2000	11,100	2000	11,200	2000	9,900
Total (I)			597,571		1,015,448		1,033,029
(II) In wholly owned subsidiary company							
Unquoted, fully paid up equity shares (Non-Trade)							
Rivu Infrastructural Developers Pvt. Ltd.	10	100000	-	100000	-	100000	-
Woodlands Instruments Pvt. Ltd.	10	473000	16,751,020	473000	16,751,020	473000	16,751,020
Arihant Flour Mills Pvt. Ltd.	100	58228	90,095,982	58228	90,095,982	58228	90,095,982
Total (II)			106,847,002		106,847,002		106,847,002
(III) Unquoted Equity shares, Fully Paid up							
Hydro Air Tectonics (PCD) Ltd.	10	390000	-	390000	-	390000	-
Total (Non-current Investments)			107,444,573		107,862,450		107,880,031
Note - 8 Other Non Current Financial Assets							
Fixed deposits having remaining maturity of more than 12 months *			221,262,008		86,012,577		11,727,893
Security Deposit			16,392,759		15,936,646		5,522,729
Advance to Subsidiaries			9,859,064		17,773,717		32,535,524
Total			247,513,831		119,722,940		49,786,146

* Pledged with Banks as margin for Bank Guarantees and Letter of Credit

Notes to the standalone financial statements

Particulars		As At 31.03.2018		As At 31.03.2017		As At 01.04.2016
		₹		₹		₹
Note - 9 Other Non Current Assets						
Prepaid Expenses		8,164,227		1,198,106		213,034
Total		8,164,227		1,198,106		213,034
Note - 10 Inventories						
Raw Material		194,144,630		155,628,751		291,662,673
Work in Progress		230,118,789		217,149,087		150,886,831
Stores & Spares		-		-		-
Total		424,263,419		372,777,838		442,549,504
Note - 11 Current Investments		As at		As at		As at
Designated at fair value through Profit and Loss account.	Qty. in nos.	31.03.2018	Qty. in nos.	31.03.2017	Qty. in nos.	01.04.2016
Current Investments (other than trade)		₹		₹		₹
Unquoted, Fully Paid up units of mutual fund						
BOI Axa Equity Debt Rebancer Fund	499990	-	499990	6,972,061	499990	6,275,124
BOI Axa Regular Return Fund	271555	-	271555	5,205,412		-
Kotak Floater Short Term - Daily Dividend (Regular Plan)	203101	205,461,172		-		-
Total		205,461,172		12,177,473		6,275,124
Note - 12 Trade Receivables #						
Unsecured						
Considered Good		4,343,890,555		3,354,809,488		3,209,255,530
Total		4,343,890,555		3,354,809,488		3,209,255,530
# Trade receivables includes Retention Money						
Note - 13 Cash and Cash Equivalents						
Cash on Hand		4,610,045		3,548,360		18,817,384
Balance with Banks						
in Current Account with Domestic Banks		35,601,643		45,312,409		13,602,445
in Current Account with Foreign Banks		31,914,306		23,472,699		7,503,812
Total		72,125,994		72,333,468		39,923,641

The Current Accounts balance with Scheduled Banks includes amount of ₹ 58,516 (Previous Year ₹ 58,516) earmarked for payment of unpaid dividend.

Note - 14 Other Bank Balances						
Fixed deposits having remaining maturity of less than twelve months		461,065,417		407,726,961		471,444,748
Total		461,065,417		407,726,961		471,444,748
* Pledged with Banks as margin for Bank Guarantees and Letter of Credit						

Notes to the standalone financial statements

Particulars	As At 31.03.2018 ₹	As At 31.03.2017 ₹	As At 01.04.2016 ₹
Note - 15 Other Current Financial Assets (Unsecured, Considered good)			
Security Deposit	9,499,086	14,312,879	12,704,485
Unbilled Receivables	40,460,000	-	-
Advance against Supplies	57,746,429	11,519,186	1,041,323
Total	107,705,515	25,832,065	13,745,808
Note - 16 Current Tax Assets (Net)			
Advance Taxes and Tax Deducted at Source (Net of Provisions)	79,310,798	93,803,623	76,512,070
Total	79,310,798	93,803,623	76,512,070
Note - 17 Other Current Assets (Unsecured, Considered good)			
Recoverable from Revenue Authorities	86,219,764	78,775,529	49,904,837
Prepaid Expenses	77,596,738	58,120,788	38,312,447
Advance for supply of raw materials & Others	81,914,419	187,972,844	297,754,949
Advance to employee	22,600,452	11,193,288	15,278,312
Total	268,331,373	336,062,449	401,250,545
Note - 18 Share Capital			
Authorised Capital			
180,00,000 Equity shares of ₹ 10/- each	180,000,000	180,000,000	180,000,000
Issued, Subscribed & Paid up			
104,90,000 Equity shares of ₹ 10/- each	104,900,000	104,900,000	104,900,000
Total	104,900,000	104,900,000	104,900,000

Note (i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Particulars	As At 31.03.2018		As At 31.03.2017		As At 01.04.2016	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Shares at the beginning of the year	10490000	104,900,000	10490000	104,900,000	10490000	104,900,000
Addition during the year	-	-	-	-	-	-
Shares at the end of the year	10490000	104,900,000	10490000	104,900,000	10490000	104,900,000

(ii) List of share holders holding more than 5% of the total shares of the Company.

Name of the shares holders	As At 31.03.2018		As At 31.03.2017		As At 01.04.2016	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Avinash Chander Gupta	3313096	31.58	3313096	31.58	3313096	31.58
Emerging India Focus Fund	-	-	752153	7.17	752153	7.17
Pragmatic Traders Pvt. Ltd.	568476	5.42	-	-	-	-

Notes to the standalone financial statements

	As At 31.03.2018	As At 31.03.2017	As At 01.04.2016
	₹	₹	₹
Note - 19 Other Equity			
(i) Securities Premium Reserve	701,942,133	701,942,133	701,942,133
(ii) General Reserve			
As per last accounts	770,794,058	745,794,058	720,794,058
Add : Transfer from statement of Profit and Loss A/c	40,000,000	25,000,000	25,000,000
Closing Balance	810,794,058	770,794,058	745,794,058
(iii) Surplus			
As per last accounts	1,064,526,555	999,774,070	909,320,984
Add : Transfer from statement of Profit and Loss A/c	137,244,997	89,752,485	115,453,086
	40,000,000	25,000,000	25,000,000
Closing Balance	1,161,771,552	1,064,526,555	999,774,070
Total	2,674,507,743	2,537,262,746	2,447,510,261

Nature of Reserves

Retained Earnings represent the undistributed profits of the Company

Other Comprehensive income Reserve represent the balance in equity for items to be accounted in other comprehensive income.

OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

General reserve represents the statutory reserve, this is in accordance with Indian corporate law wherein a portion of profit is apportioned to general reserve. Under companies act 1956 it was mandatory to transfer amount before a company can declare dividend. however under companies act 2013 transfer of any amount to General reserve is at the discretion of the company.

Securities premium reserve represents the amount received in excess of per value of securities (equity share, preference shares and debentures). Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. section 52 of Companies act 2013 specify restriction and utilisation of security premium.

Notes to the standalone financial statements

Particulars	As At 31.03.2018 ₹	As At 31.03.2017 ₹	As At 01.04.2016 ₹
Note - 20 Non Current borrowings			
Term Loans			
From Banks			
Secured			
Vehicle Loans*	4,849,423	2,868,499	6,341,889
Equipment Loans**	15,938,039	31,815,911	48,651,175
Unsecured			
Loans from Subsidiaries***	104,876,123	-	-
Total	125,663,585	34,684,410	54,993,064
* Secured by hypothecation of the vehicles and is repayable in equated installments upto July,2022 for different vehicles financed. The loan carries interest rate ranging 10% p.a to 13% p.a. ** ECB Loan of USD 495,000/- equivalent Rupees 3,20,60,189/- (Including current maturity of long term debt in note 27). is secured against hypothecation of plant and machinery purchased for International Projects. The loan is payable in financial year 2019-20 of USD 247500 equivalent Rupees 1,61,22,150/- and USD 2,47,500/- equivalent Rupees 1,59,38,039/- in financial year 2020-21. The loan carries interest @ six months Libor plus 3.5% p.a. The loan is net of transaction cost. *** Unsecured loans from wholly owned subsidiary companies and is repayable after five years from 31st March,2018 bearing interest rate of 11.6%.			
Note - 21 Other Non Current Financial Liabilities			
Others Payables			
Vehicle Security	406,864	406,864	357,364
Total	406,864	406,864	357,364
Note - 22 Provisions			
Long Term Provisions			
Gratuity	5,577,819	3,989,106	2,538,200
Leave Encashment	2,908,044	4,227,823	3,509,756
Total	8,485,863	8,216,929	6,047,956
Note - 23 Deferred tax Liability comprised of the following: -			
Liability			
Difference in WDV of Fixed Assets as per book and Income Tax Act.	30,864,277	30,884,153	32,153,848
Assets			
Expenses allowable under Income Tax Act on payment basis	6,677,006	4,575,615	4,028,930
Net Deferred Tax Liability	24,187,271	26,308,538	28,124,918
Deferred Tax (Assets) / Liability provided for			
Profit and Loss Account	(3,045,670)	(2,448,388)	
Other Comprehensive Income	924,403	632,008	
Net Deferred Tax (Assets) / Liability	(2,121,267)	(1,816,380)	
Note - 24 Other Long Term Liabilities			
Others Payables			
Advance from Customers	828,247,360	361,419,584	299,515,902
Total	828,247,360	361,419,584	299,515,902
Note - 25 Current borrowings (Secured)			
From Banks			
Working Capital*	884,003,177	936,581,244	877,000,472
Total	884,003,177	936,581,244	877,000,472

* Working capital loan is secured against tangible movable assets including stock, stores and book debts of the Company and against equitable mortgage of the Company's immovable properties comprising land, building and other structures and fittings, fixed plant and machinery and other fixtures and fittings erected or installed at factory land and building and personal guarantee of two Directors & one Erstwhile Director.

Notes to the standalone financial statements

Particulars	As At 31.03.2018 ₹	As At 31.03.2017 ₹	As At 01.04.2016 ₹
Note - 26 Trade Payables			
Dues to Micro and Small Enterprises	-	-	-
Dues to Others	1,876,195,874	1,086,344,067	1,423,022,580
Total	1,876,195,874	1,086,344,067	1,423,022,580
Note - 27 Other Current Financial Liabilities			
Unpaid Dividend	58,516	58,516	58,516
Current Maturity of Long Term Borrowing			
(a) Vehicle Loans	4,270,348	3,736,336	3,645,819
(b) Equipment Loans	16,122,150	16,045,425	16,557,980
Total	20,451,014	19,840,277	20,262,315
Note - 28 Other Current Liabilities			
Other Payable*	161,621,790	269,730,900	111,203,348
Advance from Customers	155,055,415	75,511,691	64,587,512
Total	316,677,205	345,242,591	175,790,860
* includes GST and other expenses payable etc.			
Note - 29 Current Provisions			
Gratuity	4,297,574	3,694,102	4,303,026
Leave Encashment	959,466	1,310,232	1,228,343
Total	5,257,040	5,004,334	5,531,369

Notes to the standalone financial statements

Particulars	For the Year Ended 31st March 2018 ₹	For the Year Ended 31st March 2017 ₹
Note - 30 Revenue from Operations		
Construction Contract	4,345,441,257	4,019,774,661
Export Incentives	3,055,439	1,941,300
Total	4,348,496,696	4,021,715,961
Note - 31 Other Income		
Miscellaneous Income	3,651,075	10,545,425
Interest from Others	6,212	1,756,013
Rent Received	81,330	52,500
Dividend Income from Long Term Investments	278,362	2,798
Gain on Fair Valuation of Mutual fund	705,789	902,549
Interest Income on fair valuation of Security Deposit	100,638	86,653
Exchange Rate Variation (Net)	18,652,715	-
Profit on sale of Investments (Net)	98,089	-
Total	23,574,210	13,345,938

Notes to the standalone financial statements

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
	₹	₹
Note - 32 Cost of Materials Consumed	2,733,759,605	2,664,038,193
Note - 33 (Increase) / Decrease in Raw Material & Work in progress		
(a) Opening Stock		
Work-in-Progress	217,149,087	150,886,831
Total a	217,149,087	150,886,831
(b) Closing Stock		
Work-in-Progress	230,118,789	217,149,087
Total b	230,118,789	217,149,087
Total (a-b)	(12,969,702)	(66,262,256)
Note - 34 Expenditure on Contracts		
Power and Fuel	22,551,685	28,139,753
Inspection and Testing	12,996,638	4,986,090
Repairs and Maintenance	39,526,830	34,085,761
Freight, Forwarding and Clearing	75,295,539	45,680,700
Rates and Taxes	39,311,820	30,287,990
Rent and Hire Charges	55,827,631	49,475,188
Insurance	31,141,025	18,867,052
Other Site Expenses	143,149,008	146,941,849
Rent Expense on fair valuation of Security Deposit	99,232	91,830
Total	419,899,408	358,556,213
Note - 35 Employee Benefit Expense		
Salaries, Wages and Other Allowances	399,279,521	378,554,867
Contribution to Provident and Other Funds	32,299,800	33,011,062
Workmen and staff Welfare	17,625,480	18,914,205
Total	449,204,801	430,480,134
Note - 36 Finance Cost		
Interest	212,343,523	133,906,561
Bank Charges	113,585,996	105,489,525
	325,929,519	239,396,086
Less:-		
Interest Income on Fixed Deposit Receipts	30,103,619	34,958,581
Total	295,825,900	204,437,505

Notes to the standalone financial statements

Note - 37 Other Expenses

Power and Fuel	4,320,782	4,925,748
Repairs to Building	78,344	87,859
Repairs to Machinery	22,066	36,832
Repairs to Others	15,809,631	15,064,473
Insurance	2,530,271	2,329,534
Rates and Taxes	4,680,259	2,616,231
Exchange Rate Variation (Net)	-	33,844,687
Auditors Remuneration	71,650	270,399
Miscellaneous Expenditure	3,982,614	5,065,037
Director's Sitting Fees	1,491,000	1,310,100
Legal and Professional	50,551,842	37,189,063
Rent and Hire Charges	5,155,669	2,523,152
Communication Charges	3,244,024	4,086,620
Printing and Stationary	3,756,276	4,899,297
Travelling and Conveyance	12,487,392	18,728,395
Vehicle Running and Maintenance Charges	408,670	376,551
Bad Debts	125,554,258	116,195,012
Loss on Sale of Assets (Net)	1,442,583	3,632,946
Total	235,587,331	253,181,936

38. Financial risk management

Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

i. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or

future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as of March 31, 2018 and March 31, 2017.

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and

Notes to the standalone financial statements

liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The foreign exchange risk is covered under a natural hedge. The company is not exposed to interest rate risk as most borrowings is at fixed rate.

a) Foreign exchange risk and sensitivity

The Company transacts business in Indian Rupee

and in foreign currency. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The following table demonstrates the sensitivity in the USD, EURO, TZS and others to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives hedging contracts is given below:

Particulars	Net Receivables/ (Payables)	Change in currency Exchange Rate	Effect on Profit/ (Losses) before tax (In Rs.)
For the year ended 31st March 2018			
USD	3,059,550	5% -5%	9,964,956 -9,964,956
EURO	-928,802	5% -5%	-3,728,209 3,728,209
TZS	1,385,314,205	5% -5%	2,000,134 -2,000,134
Others (INR Equivalent)	-959,3808	5% -5%	-479,690 479,690
For the year ended 31st March 2017			
USD	4,586,770	5% -5%	14,643,263 -14,643,263
EURO	1,915,267	5% -5%	7,336,429 -7,336,429
TZS	1,740,433,629	5% -5%	2,483,495 -2,483,495
Others (INE Equivalent)	40,994,744	5% -5%	2,049,737 -2,049,737

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Summary of exchange difference accounted in Statement of Profit and Loss:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Currency fluctuations		
Net foreign exchange gain/ (losses) shown as other Income (other Expenses and previous year loss is shown as other expenses.	18,652,715	(3,38,44,687)
Total	18,652,715	(3,38,44,687)

Notes to the standalone financial statements

The details of balances with foreign banks are as follows

(Amount in ₹)

NAME OF BANKS	Currency	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Outstanding Balance	Maximum balance during the year	Outstanding Balance	Maximum balance during the year	Outstanding Balance	Maximum balance during the year
PRUDENTIAL BANK LTD - GHANA	GHS	38,252	770,335	208,757	6,769,835	1,040,242	3,873,551
BANK OF ABYSSINIA - ETHIOPIA	ETB	1,734,296	2,229,091	1,064,988	1,154,986	1,091,308	1,151,443
STANDARD BANK S.A. MZN C.A.	MZN	9,158,092	9,340,386	6,346,623	6,346,623	851	1,115
STANDARD BANK S.A. USD C.A	USD	298	298	296	302	217	285
INTERNATIONAL BANK LIBERIA LTD	USD	1,255,248	5,166,469	574,990	4,060,207	1,728,445	6,494,839
EQUITY BANK ISIOLO - KENYA	KSH	396	400	400	400	400	15,764
CRDB BANK (TZS) - BUKOBA	TZS	4,572	2,413,569	3,896	4,697,282	433,657	10,365,582
CRDB BANK (USD) - BUKOBA	USD	7,556	6,844,742	-	3,348,137	18,239	1,946,343
CRDB BANK (TZS) - SUMBAWANGA	TZS	55,777	5,253,662	2,385,775	6,219,556	1,860,523	6,514,833
CRDB BANK (USD) - SUMBAWANGA	USD	34,820	3,264,657	650,037	1,419,286	364,189	1,393,264
ECO BANK - ZIMBABWE	USD	738,312	5,789,095	861,130	4,235,624	965,741	9,371,120
STANBIC BANK (UGX)	UGX	1,323,100	3,690,775	3,087,949	4,930,038	-	-
BANK OF BHUTAN (BTN)	BTN	11,238,194	27,773,639	8,287,856	12,559,110	-	-
I & M BANK (RWANDA) LTD. RWF	RWF	552,889	1,063,499	-	-	-	-
I & M BANK (RWANDA) LTD. USD	USD	5,772,504	6,935,411	-	-	-	-

(b) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates, any changes in the interest rates environment may impact future cost of borrowing.

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings.

(Amount in ₹)

Interest rate sensitivity	Increase/Decrease in basis points	Effect on profit/(loss) before tax
For the year ended March 31, 2018		
INR borrowings	+50	-4,420,015
	-50	4,420,015
USD borrowings	+25	-179,421
	-25	179,421
For the year ended March 31, 2017		
INR borrowings	+50	-5,314,104
	-50	5,314,104
USD borrowings	+25	-341,112
	-25	341,112

Notes to the standalone financial statements

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Commodity price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enter into contracts for procurement of material, most of the transactions are short term fixed price contract and a very few transactions are long term fixed price contracts.

Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and financial institutions and other financial instruments.

Trade Receivables

The Company extends credit to customers in normal course of business. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly Government. The Company has also taken advances and security deposits from its customers to mitigate the credit risk to an extent.

The ageing of trade receivable is as below:

(Amount in ₹)

Particulars	Past due			Total
	upto 6 months	6 to 12 months	Above 12 months	
As at March 31, 2018				
Trade receivable				
Unsecured				
Considered Good	1,754,991,614	1,262,365,723	1,326,533,218	4,343,890,555
Gross Total	1,754,991,614	1,262,365,723	1,326,533,218	4,343,890,555
Provision for doubtful	-	-	-	-
Net Total	1,754,991,614	1,262,365,723	1,326,533,218	4,343,890,555
As at March 31, 2017				
Trade receivable				
Unsecured				
Considered Good	1,497,492,881	588,226,352	1,269,090,255	3,354,809,488
Gross Total	1,497,492,881	588,226,352	1,269,090,255	3,354,809,488
Provision for doubtful	-	-	-	-
Net Total	1,497,492,881	588,226,352	1,269,090,255	3,354,809,488
As at April 1, 2016				
Trade receivable				
Unsecured				
Considered Good	1,820,503,388	222,606,891	1,166,145,251	3,209,255,530
Gross Total	1,820,503,388	222,606,891	1,166,145,251	3,209,255,530
Provision for doubtful	-	-	-	-
Net Total	1,820,503,388	222,606,891	1,166,145,251	3,209,255,530

Notes to the standalone financial statements

Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Liquidity risk

The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall, the company uses mix of capital infusion and borrowing from its subsidiary companies. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in ₹).

Particulars	Carrying Amount	On demand	Ageing as on 31st March 2018			Total
			< 6 months	6-12 months	> 1 years	
Interest bearing borrowings	1,030,059,260	-	10,196,249	894,199,426	125,663,585	1,030,059,260
Trade payable	1,876,195,874	-	1,876,195,874	-	-	1,876,195,874
Other liabilities	465,380	58,516	-	-	406,864	465,380
Total	2,906,720,513	58,516	1,886,392,122	894,199,426	126,070,449	2,906,720,513

Particulars	Carrying Amount	On demand	Ageing as on 31st March 2017			Total
			< 6 months	6-12 months	> 1 years	
Interest bearing borrowings	991,047,415	-	9,890,881	946,472,124	34,684,410	991,047,415
Trade payable	1,086,344,067	-	1,086,344,067	-	-	1,086,344,067
Other liabilities	465,380	58,516	-	-	406,864	465,380
Total	2,077,856,862	58,516	1,096,234,948	946,472,124	35,091,274	2,077,856,862

Particulars	Carrying Amount	On demand	Ageing as on 1st April 2016			Total
			< 6 months	6-12 months	> 1 years	
Interest bearing borrowings	952,197,335	-	10,101,900	887,102,371	54,993,064	952,197,335
Trade payable	1,423,022,580	-	1,423,022,580	-	-	1,423,022,580
Other liabilities	415,880	58,516	-	-	357,364	415,880
Total	2,375,635,795	58,516	1,433,124,480	887,102,371	55,350,428	2,375,635,795

Unused line of credit (Excluding non fund based facilities)

Amount in Rs.

Particulars	As on March 31, 2018	As on March 31, 2017	As on April 1, 2016
Secured	265,996,823	78,418,756	92,999,528
Unsecured	-	-	-
Total	265,996,823	78,418,756	92,999,528

Notes to the standalone financial statements

Interest rate & currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in ₹)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted Average Rate of Borrowing (%)
INR	997,999,071	884,003,177	113,995,894	11.18
USD (INR Equivalent)	32,060,189	32,060,189	-	5.85
Total as at March 31, 2018	1,030,059,260	916,063,366	113,995,894	
INR	943,186,079	936,581,244	6,604,835	10.86
USD (INR Equivalent)	47,861,336	47,861,336	-	4.92
Total as at March 31, 2017	991,047,415	984,442,580	6,604,835	
INR	886,988,180	877,000,472	9,987,708	10.11
USD (INR Equivalent)	65,209,155	65,209,155	-	4.71
Total as at April 1, 2016	952,197,335	942,209,627	9,987,708	

Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

Capital risk management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2017-18 and FY 2016-17 is as under:

(Amount in ₹)

Particulars	As of March 31, 2018	As of March 31, 2017
Loans and borrowings	1,030,059,260	991,047,415
Less: Cash and cash equivalents	72,125,994	72,333,468
Net debt	957,933,266	918,713,947
Equity	2,779,407,743	2,642,162,746
Total capital	3,737,341,009	3,560,876,693
Gearing ratio	25.63%	25.80%

The Group Plan to reduce its gearing ratio.

Notes to the standalone financial statements

39. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost						
Fixed deposits with banks	682,327,425	682,327,425	493,739,538	493,739,538	483,172,641	483,172,641
Cash and bank balances	72,125,994	72,125,994	72,333,468	72,333,468	39,923,641	39,923,641
Investment	206,058,743	206,058,743	13,192,921	13,192,921	7,308,153	7,308,153
Trade and other receivables	4,343,890,555	4,343,890,555	3,354,809,488	3,354,809,488	3,209,255,530	3,209,255,530
Other financial assets	133,957,338	133,957,338	59,542,428	59,542,428	51,804,061	51,804,061
	5,438,360,055	5,438,360,055	3,993,617,844	3,993,617,844	3,791,464,026	3,791,464,026
Financial liabilities designated at amortised cost						
Borrowings- fixed rate	113,995,894	113,995,894	6,604,835	6,604,835	9,987,708	9,987,708
Borrowings- floating rate	916,063,366	916,063,366	984,442,580	984,442,580	942,209,627	942,209,627
Trade & other payables	1,876,195,873	1,876,195,873	1,086,344,067	1,086,344,067	1,423,022,580	1,423,022,580
Other financial liabilities	465,380	465,380	465,380	465,380	415,880	415,880
	2,906,720,513	2,906,720,513	2,077,856,862	2,077,856,862	2,375,635,795	2,375,635,795

Fair Valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

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

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country

risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings is not material different from carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

- 3) The fair value of fixed interest bearing loans, borrowings and deposits is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- 4) IND AS 101 allow Company to fair value property, plant and machinery on transition to IND AS, the Company has fair valued property, plant and equipment, and the fair valuation is based on replacement cost approach.

Notes to the standalone financial statements

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value(NAV) is published mutual fund operators at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not

traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Assets measured at fair value through profit and loss accounted

(Amount in ₹)

Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
Financial assets			
Current Investment			
- In Mutual Funds	205,461,172	-	-

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
Financial assets			
Current Investment			
- In Mutual Funds	12,177,473	-	-

Particulars	As at April 1, 2016		
	Level 1	Level 2	Level 3
Financial assets			
Current Investment			
- In Mutual Funds	6,275,124	-	-

Notes to the standalone financial statements

Assets measured at fair value through other comprehensive income accounted

Particulars	As at March 31, 2018		
	Level 1	Level 1	Level 1
Financial assets			
Non Current Investments			
- In Quoted Investments	597,571		

Particulars	As at March 31, 2017		
	Level 1	Level 1	Level 1
Financial assets			
Non Current Investments			
- In Quoted Investments	1,015,448		

Particulars	As at March 31, 2016		
	Level 1	Level 1	Level 1
Financial assets			
Non Current Investments			
- In Quoted Investments	1,033,029		

Assets / Liabilities for which fair value is disclosed

Particulars	As at March 31, 2018		
	Level 1	Level 1	Level 1
Financial assets			
Borrowings-fixed rate		113,995,894	
Other financial liabilities		465,380	

Particulars	As at March 31, 2017		
	Level 1	Level 1	Level 1
Financial assets			
Borrowings-fixed rate		6,604,835	
Other financial liabilities		465,380	

Particulars	As at March 31, 2016		
	Level 1	Level 1	Level 1
Financial assets			
Borrowings-fixed rate		9,987,708	
Other financial liabilities		415,880	

During the year ended March 31, 2018 and March 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/balance under level 3.

Notes to the standalone financial statements

Following table describes the valuation techniques used and key inputs to valuation for level 1 of the fair value hierarchy as of March 31, 2018 and March 31, 2017, respectively:

a) Assets measured at fair value

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets			
Current Investment	Level 1	As per NAV of Mutual Fund	---
Quoted Investments	Level 1	As per Market Price of Equity Shares	---

40 Segment information

Information about primary segment

The Company is engaged primarily into one primary business segment of engineering procurement contracts for electricity, water infrastructure, oil handling systems etc.

41. Income tax expense

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax	74,500,000 74,500,000	52,300,000 52,300,000
Deferred tax liability/(Asset)		
- Relating to origination and reversal of temporary differences	(3,045,670)	(2,448,388)
Tax expense attributable to current year's profit	(3,045,670)	(2,448,388)
Tax related to earlier years	2,380,093	2,950,080
Total Tax expense	73,834,423	52,801,692

Effective Tax Reconciliation:

A reconciliation of the theoretical income tax expense/(benefit) applicable to the profit/(loss) before income tax at the statutory tax rate in India to the income tax expense/(benefit) at the Company's effective tax rate is as follows:

(Amount in ₹)

S. No	Description	For the year ended March 31, 2018	For the year ended March 31, 2017
1	Net Income/ (Loss) before taxes	209,332,757	141,359,995
2	Enacted tax rates for company	34.608%	34.608%
3	Computed tax (Income)/ Expense	72,445,881	48,921,867
4	Increase/(reduction) in taxes on account of:		
a)	Previous year tax adjustments	2,380,093	2,950,080
b)	Income not taxable/exempt (net of disallowance)	(991,551)	929,745
5	Income tax expense reported	73,834,423	52,801,692

42. Deferred income tax

The Company has accounted for deferred tax on the various adjustments between Indian GAAP and IND AS at the tax rate at which they are expected to be reversed. The Company has fair valued investment in subsidiaries on transition, considering that there would be no long term capital gain in foreseeable future period, no deferred tax assets has been created on the fair valuation impact.

Notes to the standalone financial statements

The analysis of deferred tax assets is as follows.

(Amount in ₹)

Description	Year ended March 31, 2018	Year ended March 31, 2017
Component of OCI		
Book base and tax base of Fixed Assets	19,876	1,269,725
Disallowance/Allowance (net) under Income Tax	3,025,794	1,178,663
Total	3,045,670	2,448,388

Component of tax accounted in OCI and equity

(Amount in ₹)

Description	Year ended March 31, 2018	Year ended March 31, 2017
Component of OCI		
Deferred Tax (Gain)/Loss on defined benefit	839,366	612,000
Deferred Tax (Gain)/Loss on fair value of non-current investment	85,037	19,140

43. Retirement benefit obligations

a. Expense recognised for Defined Contribution plan

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Company's contribution to provident fund	12,259,456	6,369,405
Company's contribution to ESI	579,754	282,250
Total	12,839,210	6,651,655

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2018 and March 31, 2017, being the respective measurement dates:

b. Movement in defined benefit obligation

(Amount in ₹)

Particulars	Gratuity (funded)	Leave encashment (unfunded)
Present value of obligation - April 1, 2016	13,967,297	4,800,389
Current service cost	2,170,780	1,529,103
Interest cost	928,825	319,226
Benefits paid	(2,234,188)	(952,906)
Re-measurements - actuarial loss/ (gain)	675,044	(157,757)
Present value of obligation - March 31, 2017	15,507,758	5,538,055
Present value of obligation - April 1, 2017	15,507,758	5,538,055
Current service cost	2,327,048	708,977
Interest cost	1,110,355	396,525
Benefits paid	(701,191)	(1,128,862)
Re-measurements - actuarial loss/ (gain)	(699,062)	(1,647,185)
Present value of obligation - March 31, 2018	17,544,908	3,867,510

Notes to the standalone financial statements

c. Movement in Plan Assets – Gratuity

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair value of plan assets at beginning of year	7,824,549	7,126,071
Expected return on plan assets	590,753	623,531
Employer contributions	-	2,565,329
Benefits paid	(701,191)	(2,234,188)
Actuarial gain / (loss)	(44,596)	(256,194)
Fair value of plan assets at end of year	7,669,515	7,824,549
Present value of obligation	17,544,908	15,507,758
Net funded status of plan	(9,875,393)	(7,683,209)

The components of the gratuity & leave encashment cost are as follows:

d. Recognised in profit and loss

(Amount in ₹)

Particulars	Gratuity	Leave encashment
Current Service cost	2,170,780	1,529,103
Interest cost	928,825	319,226
Expected return on plan assets	(623,531)	-
Re-measurement - Actuarial loss/(gain)	-	(157,757.00)
For the year ended March 31, 2017	2,476,074	1,690,572
Current Service cost	2,327,048	708,977
Interest cost	1,110,355	396,525
Expected return on plan assets	(590,753)	-
Re-measurement - Actuarial loss/(gain)	-	(1,647,185)
For the year ended March 31, 2018	2,846,650	(541,683)

e. Recognised in other comprehensive income

(Amount in ₹)

Particulars	Gratuity
Re-measurement - Actuarial loss/(gain)	
For the year ended March 31, 2017	1,770,884
Re-measurement - Actuarial loss/(gain)	
For the year ended March 31, 2018	2,425,350

Notes to the standalone financial statements

f. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	As at March 31, 2018	As at March 31, 2017
Attrition rate	20.00%	20.00%
Discount Rate	7.16%	6.65%
Expected Rate of increase in salary	6.00%	6.50%
Expected Rate of Return on Plan Assets	7.55%	8.75%
Mortality rate	IALM 2006-2008	IALM 2006-2008
Expected Average remaining working lives of employees (years)	22.92	22.63

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2016-17 as considered in previous GAAP on transition to IND AS.

g. Sensitivity analysis:

For the year ended March 31, 2017

(Amount in ₹)

Particulars	Change in Assumption	Effect on Gratuity obligation	Effect on leave encashment obligation
Discount rate	+1%	(653,922)	(199,952)
	-1%	705,102	216,051
Salary Growth rate	+1%	699,317	215,938
	-1%	(660,794)	(203,501)

For the year ended March 31, 2018

Particulars	Change in Assumption	Effect on Gratuity obligation	Effect on leave encashment obligation
Discount rate	+1%	(697,939)	(155,310)
	-1%	750,244	167,015
Salary Growth rate	+1%	751,409	167,275
	-1%	(711,786)	(158,384)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

Notes to the standalone financial statements

h. History of experience adjustments is as follows:

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	Gratuity
Year - 2019	4,359,525
Year - 2020	4,623,358
Year - 2021	3,771,267
Year - 2022	5,430,962
Year - 2023	4,881,474
Year - 2024 to 2028	27,070,013

i. Statement of Employee benefit provision

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity	9,875,393	7,683,208
Leave encashment	3,867,510	5,538,055
Total	13,742,903	13,221,263

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet.

j. Current and non-current provision for Gratuity and leave encashment

For the year ended March 31, 2017

(Amount in ₹)

Particulars	Gratuity	Leave Encashment
Current provision	3,694,102	1,310,232
Non-current provision	3,989,106	4,227,823
Total Provision	7,683,208	5,538,055

For the year ended March 31, 2018

(Amount in ₹)

Particulars	Gratuity	Leave Encashment
Current provision	4,297,574	959,466
Non-current provision	5,577,819	2,908,044
Total Provision	9,875,393	3,867,510

k. Employee benefit expenses

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	399,279,521	378,554,867
Costs-defined contribution plan	32,299,800	33,011,062
Welfare expenses	17,625,480	18,914,205
Total	449,204,801	430,480,134

Figures in no.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Average no. of people employed	447	377

OCI presentation of defined benefit plan

Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability and Assets is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

Notes to the standalone financial statements

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

44. Other disclosures

Auditors Remuneration*

(Amount in ₹).

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1. Statutory Auditors		
i. Audit Fee	47,500	54,625
ii. Other Services	24,150	215,774
Total	71,650	270,399

*Previous Year figure of audit fees is inclusive of Service Tax Amount of Rs. 7,125/.

- b. Details of investment made, covered U/S 186(4) of the Companies Act 2013 are given in the respective schedules to the Financial Statements (refer note 7).

c) Commitments

Performance guarantee issued by banks on behalf of the company. However, none of these BG has been revoked till date.

(Amount in ₹)

PARTICULARS	31 st March 2018	31 st March 2017	1 st April 2016
Performance Bank Guarantee	2,218,042,898	3,291,798,578	2,733,288,556

45. Contingent liabilities

- a) (Amount in ₹)

PARTICULARS	31 st March 2018	31 st March 2017	1 st April 2016
Disputed demand of Income Tax and Sales Tax	28,489,286	73,898,523	9,282,836
Claim against the Company not acknowledged as debt	32,489,413	13,906,783	8,194,303

- b. Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Property, plant and equipment	-	-	22,992,185
Total	-	-	22,992,185

46. Related party transactions

- I n accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

Notes to the standalone financial statements

Related party name and relationship

a. Key Management personnel

(1) Names of Related Parties

(A) Key management personnel

- (a) Avinash C. Gupta (Managing Director)
- (b) Arjun Gupta (Whole Time Director)
- (c) Nakul Gupta (Whole Time Director – up to 08.03.2018) and relative of key management personnel.
- (d) Arun Mitter (Independent Director Non Executive)
- (e) Pawan Chopra (Independent Director Non Executive)
- (f) Anju Banerjee (Independent

Director Non Executive)

(B) Executive Officers

- (a) Sandeep Kumar Vij (Chief Financial Officer)
- (b) Suman Kumar Verma (Company Secretary)

(C) Enterprises under Common Control / enterprises where persons described in "A" above are able to exercise significant influence.

- (a) Techfab International Pvt. Ltd.

(D) Wholly owned Subsidiary Company

- (a) Rivu Infrastructural Developers Pvt. Ltd.
- (b) Woodlands Instruments Pvt. Ltd.
- (c) Arihant Flour Mills Pvt. Ltd.

Notes to the standalone financial statements
Related Party Transactions

(Amount in ₹)

Description	Current Year 2017-18			Previous Year 2016-17		
Nature of transactions	Subsidiary Company	Other Related Parties of the Group where common control / substantial interest of Key Management Personnel exists	key Management Personnel	Subsidiary Company	Other Related Parties of the Group where common control / substantial interest of Key Management Personnel exists	Key Management Personnel
Remuneration Paid						
Avinash Chander Gupta	-	-	20,006,784	-	-	12,000,000
Arjun Gupta	-	-	16,955,892	-	-	11,900,000
Kakul Gupta	-	-	16,037,747	-	-	11,900,000
Sandeep Kumar Vij	-	-	5,029,808	-	-	5,076,568
Suman Kumar Verma	-	-	1,286,850	-	-	914,914
Sitting Fees Paid						
Pawan Chopra	-	-	479,000	-	-	448,200
Arun Mitter	-	-	533,000	-	-	413,700
Anju Banerjee	-	-	479,000	-	-	448,200
Rent Paid						
Arihant Flour Mills Pvt. Ltd.	9,763,548	-	-	461,250	-	-
Woodlands Instruments Pvt. Ltd.	4,158,065	-	-	960,000	-	-
Maintenance Charges paid						
Arihant Flour Mills Pvt. Ltd.	1,153,226	-	-	768,750	-	-
Woodlands Instruments Pvt. Ltd.	1,383,871	-	-	960,000	-	-
Interest Paid						
Arihant Flour Mills Pvt. Ltd.	2,383,222	-	-	-	-	-
Woodlands Instruments Pvt. Ltd.	267,791	-	-	-	-	-
Interest Received						
Arihant Flour Mills Pvt. Ltd.	-	-	-	46,700	-	-
Woodlands Instruments Pvt. Ltd.	-	-	-	1,702,630	-	-
Advance Given						
Arihant Flour Mills Pvt. Ltd.	27,330,739	-	-	-	-	-
Woodlands Instruments Pvt. Ltd.	21,470,924	-	-	-	-	-
Rivu Infrastructural Developers Pvt. Ltd.	35,000	-	-	-	-	-
Techfab International Pvt. Ltd.	-	57,746,429	-	-	-	-
Advance Repaid						
Arihant Flour Mills Pvt. Ltd.	27,374,364	-	-	-	-	-
Woodlands Instruments Pvt. Ltd.	31,646,487	-	-	-	-	-
Rivu Infrastructural Developers Pvt. Ltd.	-	-	-	-	-	-
Loan Received						
Arihant Flour Mills Pvt. Ltd.	94,700,561	-	-	-	-	-
Woodlands Instruments Pvt. Ltd.	10,175,564	-	-	-	-	-
Rivu Infrastructural Developers Pvt. Ltd.	-	-	-	-	-	-

Notes to the standalone financial statements

Related Party Balances

(Amount in ₹)

Description	As at 31/03/2018			As at 31/03/2017			As at 31/03/2016		
	Subsidiary Company	Other Related Parties of the Group where common control / substantial interest of Key Management Personnel exists	Key Management Personnel	Subsidiary Company	Other Related Parties of the Group where common control / substantial interest of Key Management Personnel exists	Key Management Personnel	Subsidiary Company	Other Related Parties of the Group where common control / substantial interest of Key Management Personnel exists	Key Management Personnel
Payable in respect of remuneration & commission									
Avinash Chander Gupta	-	-	3,297,729	-	-	5,197,666	-	-	3,346,162
Arjun Gupta	-	-	1,868,998	-	-	6,568,175	-	-	4,475,050
Nakul Gupta	-	-	1,524,480	-	-	6,337,125	-	-	4,475,040
Sandeep Kumar Vij	-	-	288,138	-	-	251,364	-	-	222,750
Suman kumar Verma	-	-	87,395	-	-	71,567	-	-	70,370
Payable in respect of Rent				-					
Arihant Flour Mills Pvt. Ltd.	6,317,374	-	-	-	-	-	-	-	-
Woodlands Instruments Pvt. Ltd.	2,664,000	-	-	-	-	-	-	-	-
Payable in respect of Loan									
Arihant Flour Mills Pvt. Ltd.	94,700,561	-	-	-	-	-	-	-	-
Woodlands Instruments Pvt. Ltd.	10,175,564	-	-	-	-	-	-	-	-
Receivable in respect of advance to Subsidiaries & other related parties									
Arihant Flour Mills Pvt. Ltd.	-	-	-	43,625	-	-	443,646	-	-
Woodlands Instruments Pvt. Ltd.	-	-	-	19,425,214	-	-	18,739,138	-	-
Rivu Infrastructural Developers Pvt. Ltd.	9,859,064	-	-	9,824,064	-	-	14,394,064	-	-
Techfab International Pvt. Ltd.	-	57,746,429	-	-	-	-	-	-	-

Remuneration to Key managerial Personnel (KMP)

(Amount in ₹)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Short-Term employee benefits	59,317,081	41,791,482
Post-Employment benefits - Defined contribution plan	3,765,024	2,610,732
Total	63,082,105	44,402,214

Notes to the standalone financial statements

47. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	Number of shares	
	Year ended March 31, 2018	Year ended March 31, 2017
Issued equity shares	10,490,000	10,490,000
Weighted average shares outstanding - Basic and Diluted - A	10,490,000	10,490,000

Particulars	Amount in Rs.	
	Year ended March 31, 2018	Year ended March 31, 2017
Profit and Loss after tax - B	135,498,334	88,558,303
Basic Earnings per share (B/A) (°)	12.92	8.44
Diluted Earnings per share (B/A) (°)	12.92	8.44

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

48. Un-hedged Position of Foreign Currency

Particular	As at 31st March 2018		As at 31st March 2017	
	Amount (In Foreign Currency)	Amount (In INR)	Amount (In Foreign Currency)	Amount (In INR)
In Respect of Receivable				
USD	6,580,363	428,644,862	6,926,884	449,068,868
EURO	1,477,551	118,617,788	2,618,403	181,219,656
ETB -(Ethiopian Birr)	-	-	1,989,746	5,650,880
GHS -(Ghanian Cedi)	614,791	8,975,955	477,395	7,113,191
KSH -(Kenya Shilling)	5,191,477	3,343,311	67,290,696	49,462,949
MZN -(Mozambican Metical)	4,996,800	5,271,624	6,996,800	9,025,872
TZS -(Tanzanian Shilling)	1,559,605,141	45,036,244	3,006,502,127	122,102,116
UGX -(Ugandan Shilling)	157,689,762	2,784,562	16,309,851	293,577
RWF -(Rwandan Franc)	2,622,600	200,658	-	-
BTN -(Bhutanese Ngultrum)	27,642,021	27,642,021	-	-
TOTAL		640,517,026		823,937,109
-In Respect of Payables				
USD	3,520,813	229,345,751	5,406,305	350,460,527
EURO	2,406,352	193,181,973	-	-
ETB -(Ethiopian Birr)	632,132	1,491,832	1,419,616	4,031,710
GHS -(Ghanian Cedi)	478,781	6,990,199	526,323	7,842,219
KSH -(Kenya Shilling)	19,359,905	12,467,779	16,563,854	10,418,664
MZN -(Mozambican Metical)	704,340	743,079	704,340	908,599
TZS -(Tanzanian Shilling)	174,470,936	5,038,145	386,549,848	11,227,123
UGX -(Ugandan Shilling)	530,543,940	9,368,602	481,050,733	8,658,913
RWF -(Rwandan Franc)	4,549,606	348,096	-	-
BTN -(Bhutanese Ngultrum)	26,402,353	26,402,353	7,690,909	7,690,909
TOTAL		485,377,808		401,238,664

Notes to the standalone financial statements

49 Disclosures Required As Per Indian Accounting Standard (IND AS) 101- First Time Adoption Of Indian Accounting Standard

Transition to IND AS

Basis of preparation

For all period up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2018, are the Company's first annual IND AS financial statements and have been prepared in accordance with IND AS.

Accordingly, the Company has prepared financial statements which comply with IND AS applicable for periods beginning on or after April 1, 2017, as described in the accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as of April 1, 2016, the Company's date of transition to IND AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Balance Sheet as of April 1, 2017 and its previously published Indian GAAP financial statements for the year ended March 31, 2017.

Exemptions Applied

IND AS 101 First-time adoption of Indian Accounting Standards allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2016 opening balance sheet.

1. Exemptions availed

The Company has elected to measure one class of item, i.e. land under Property, Plant and Equipment (PPE) at the date of transition to IND AS at their fair value. For all Other items under Property, Plant and Equipment (PPE) carrying value under IGAAP are treated as deemed cost. The impact on fair valuation of land on transition from previous GAAP is Rs. 233,419,469/- and the deemed cost considered on transition of land. The Company has not revalued fair value of any items of PPE subsequent to the year ended 31st March, 2016.

2. Investments in subsidiaries

The Company has adopted optional exemption

under IND AS 101 to measure investment in subsidiaries at fair value on the date of transition, i.e. 1st April 2016. Other investments are accounted for at fair value.

Other accounting differences under IND AS from IGAAP.

3. The Company has decided to disclose prospectively from the date of transition the following as required by IND AS 19

- i. The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, and
- ii. The experience adjustments arising on;
 - a) The plan liabilities expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period; and
 - b) The plan assets expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period.

Under previous GAAP the Company was considering leave encashment as defined benefit plan as there was no difference in previous GAAP for accounting of experience adjustments and impact of change in actuarial assumption. On transition to IND AS, the Company has considered leave encashment as short term benefit and consequently experience adjustments and impact of change in actuarial assumption is accounted in profit and loss account.

4. Fair value of financial assets and liabilities

The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under IND AS, these are financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to IND AS, the requirement of initial recognition at fair value is applied prospectively.

5. Security Deposit

Under Previous IGAAP, the security deposits for lease rental are accounted at an undiscounted

Notes to the standalone financial statements

value. Under Ind AS, the security deposits for leases have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Prepaid Expenses' which has been amortised over respective lease term as rent expense. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest income under 'other income'.

6. Re measurement of defined benefit plan i.e. gratuity is accounted for in other comprehensive income.
7. Quoted and Unquoted investment

Long Term Investment

Under previous GAAP, long term investments were carried at cost unless there is permanent diminution in value of investment. Under IND AS, long term quoted investment is carried at market price available at the end of the year and unquoted investments are carried at fair value based on net asset value of the company based on the latest

audited balance sheet

Current Investment

Current investments under IGAAP were carried at cost or market value whichever is less. Under IND AS, same is carried at fair value, i.e. market price.

Impact of transition to IND AS

The following is a summary of the effects of the differences between IND AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial period for the periods previously reported under Indian GAAP following the date of transition to IND AS

8. Borrowings designated and carried at amortised cost are accounted on EIR method. The upfront fee on cost of borrowing incurred is deferred and accounted on EIR. Borrowing are shown as net of unamortized amount of upfront fee incurred on transaction. The Company has deferred Rs. 487,475/- of upfront fees.

Notes to the standalone financial statements

Reconciliation of Balance sheet as at April 1, 2016

	Note No	Previous GAAP	Ajustments	Ind As
ASSETS				
(1) Non-current Assets				
(a) Property, plant and equipment	1	388,925,218	233,419,469	622,344,687
(b) Other intangible assets		1,876,193	-	1,876,193
(c) Financial Assets				
(i) Investments	7	84,677,529	23,202,502	107,880,031
(ii) Others	5	50,108,940	(322,794)	49,786,146
(d) Other non current assets		213,034	-	213,034
		525,800,914	256,299,177	782,100,091
(2) Current Assets				
(a) Inventories		442,549,504	-	442,549,504
(b) Financial Assets				
(i) Investments	7	5,000,000	1,275,124	6,275,124
(ii) Trade receivables		3,209,255,530	-	3,209,255,530
(iii) Cash and Cash Equivalents		39,923,641	-	39,923,641
(iv) Bank balances other than (ii)above		471,444,748	-	471,444,748
(v) Others		13,745,808	-	13,745,808
(c) Other current assets	5	400,954,609	295,936	401,250,545
(d) Current tax assets (Net)		76,512,070	-	76,512,070
		4,659,385,910	1,571,060	4,660,956,970
TOTOAL ASSETS		5,185,186,824	257,870,237	5,443,057,061
EQUITY AND LIABILITIES EQUITY				
(a) Equity Share Capital		104,900,000	-	104,900,000
(b) Other Equity		2,189,152,549	258,357,712	2,447,510,261
		2,294,052,549	258,357,712	2,552,410,261
LIABILITIES				
(1) Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	8	55,480,539	(487,475)	54,993,064
(ii) other Financial Liabilities		357,364	-	357,364
(b) Provisions		6,047,956	-	6,047,956
(c) Deffered Tax Liabilities		28,124,918	-	28,124,918
(d) Other Non Current Liabilities		299,515,902	-	299,515,902
		389,526,679	(487,475)	389,039,204
(2) Current Liabilities				

Notes to the standalone financial statements

	Note No	Previous GAAP	Ajustments	Ind As
(a) Financial Liabilities				
(i) Borrowings		877,000,472	-	877,000,472
(ii) Trade payables		1,423,022,580	-	1,423,022,580
(iii) Other Financial liabilities		20,262,315	-	20,262,315
(b) Other Current Liabilities		175,790,860	-	175,790,860
(c) Provisions		5,531,369	-	5,531,369
		2,501,607,596	-	2,501,607,596
TOTAL EQUITY AND LIABILITIES		5,185,186,824	257,870,237	5,443,057,061

Reconciliation of other equity as at April 1, 2016

	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2016 (IGAAP) (A)	701,942,133	745,794,058	741,416,358	2,189,152,549
Adjustments:				
Add: Fair value of landn under property, Plant and Equipment (PPE) as exception under IND AS 101 on the date of transition	-	-	233,419,469	233,419,469
Add: Fair Valuation of Investments in subsidiaries on the date of transition i.e. April 1, 2016	-	-	38,793,242	38,793,242
Less: Fair Valuation of quoted and unquoted investments	-	-	(14,315,616)	(14,315,616)
Add: Fair value of borrowing carried at a amortized cost at effective interest rate	-	-	487,475	487,475
Less: Impact of security deposits given under IND AS	-	-	(26,858)	(26,858)
Total IND AS Adjustment (B)	-	-	258,357,712	258,357,712
Balance as at April 1, 2016 (IND AS) (A+B)	701,942,133	745,794,058	999,774,070	2,447,510,261

Principal differences between IND AS and Indian GAAP

Measurement and recognition difference for year ended March 31, 2017

1. Asset carried at Deemed cost in IND AS

The Company has elected to measure one class of item, i.e. land under Property, Plant and Equipment (PPE) at the date of transition to IND AS at their fair value. For all Other items under Property, Plant and Equipment (PPE) carrying value under IGAAP are treated as deemed cost. The Company has not re-valued fair value of any items of PPE subsequent to the year ended 31st March, 2016.

2. The impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity liability is accounted in the Statement of Other Comprehensive Income and corresponding tax impact on the same.

3. Security Deposit

Under Previous IGAAP, the security deposits for lease rental are accounted at an undiscounted value. Under Ind AS, the security deposits for leases have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Prepaid Expenses' which has been amortised

Notes to the standalone financial statements

over respective lease term as rent expense. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest income under 'other income'.

4. Fair value of financial assets and liabilities

The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under IND AS, these are financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to IND AS, the requirement of initial recognition at fair value is applied prospectively.

5. Statement of Cash Flows

The impact of transition from Indian GAAP to IND AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under IND AS in Balance Sheet, Statement of Profit & Loss and difference in the definition of cash and cash equivalents and these two GAAP's.

6. The impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity liability is accounted in the Statement of Other Comprehensive Income and corresponding tax impact on the same.

7. Quoted and Unquoted investment

Investments in subsidiaries

The Company has adopted optional exemption under IND AS 101 to measure investment in subsidiaries at fair value on the date of transition, i.e. 1st April 2016. Other investments are accounted for at fair value.

Long Term Investment

Under previous GAAP, long term investments were carried at cost unless there is permanent diminution in value of investment. Under IND AS, long term quoted investment is carried at market price available at the end of the year and unquoted investments are carried at fair value based on net asset value of the company based on the latest audited balance sheet

Current Investment

Current investments under IGAAP were carried at cost or market value whichever is less. Under IND AS, same is carried at fair value, i.e. market price.

8. Borrowings designated and carried at amortised cost are accounted on EIR method. The upfront fee on cost of borrowing incurred is deferred and accounted on EIR. Borrowing are shown as net of unamortized amount of upfront fee incurred on transaction. The Company has deferred Rs. 269,630/- of upfront fees.

Subsequent reconciliations post transition on 31st March 2017

Reconciliation of other equity as at 31st March, 2017

	Securities Premium Reserve	General Reserve	Retained Earnings	OCI	Total
Balance as at March 31, 2017 (IGAAP) (A)	701,942,133	770,794,058	805,434,010		2,278,170,201
Adjustments:					
Difference in other equity on transition on 01.04.2016	-	-	258,357,712	-	258,357,712
Add: Difference in profit and loss for 2016-17	-	-	1,929,015	(1,194,182)	734,833
Total IND AS Adjustment (B)	-	-	260,286,727	(1,194,182)	259,092,545
Balance as at March 31, 2017 (IND AS) (A+B)	701,942,133	770,794,058	1,065,720,737		2,537,260,746

Notes to the standalone financial statements
Reconciliation of Balance sheet as at March 31, 2017

(Amount in ₹)

	Note No	Previous GAAP	Adjustments	Ind AS
ASSETS				
(1) Non-current Assets				
(a) Property, plant and equipment	1	325,568,004	233,419,469	558,987,473
(b) Other Intangible assets		2,917,250	-	2,917,250
(c) Financial Assets				
(i) Investments	7	84,604,641	23,257,809	107,862,450
(ii) Others	5	120,003,496	(280,556)	119,722,940
(d) Other non current assets		1,198,106		1,198,106
		534,291,497	256,396,722	790,688,219
(2) Current Assets				
(a) Inventories		372,777,838	-	372,777,838
(b) Financial Assets				
(i) Investments	7	9,999,800	2,177,673	12,177,473
(ii) Trade receivables		3,354,809,488	-	3,354,809,488
(iii) Cash and Cash Equivalents		72,333,468.01	-	72,333,468
(iv) Bank balances other than (ii) above		407,726,961.2	-	407,726,961
(v) Others		25,832,065	-	25,832,065
(c) Other current assets	5	335,813,928	248,521	336,062,449
(d) Current tax assets (Net)		93,803,623	-	93,803,623
		4,673,097,171	2,426,194	4,675,523,365
		5,207,388,668	258,822,	5,466,162,746
TOTAL ASSETS				
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital		104,900,000	-	104,900,000
(b) Other Equity		2,278,170,200	259,092,546	2,537,262,746
		2,383,070,200	259,092,546	2,642,162,746
LIABILITIES				
(1) Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	8	34,954,040	(269,630)	34,684,410
(ii) Other Financial Liabilities		406,864	-	406,864
(b) Provisions		8,216,929	-	8,216,929
(c) Deferred Tax Liabilities (Net)		26,308,538	-	26,308,538
(d) Other Non Current Liabilities		361,419,584	-	361,419,584
		431,305,955	(269,630)	431,036,325
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		936,581,244	-	936,581,244
(ii) Trade Payables		1,086,344,067	-	1,086,344,067
(iii) Other Financial liabilities		19,840,277	-	19,840,277
(b) Other Current liabilities		345,242,591	-	345,242,591
(c) Provisions		5,004,334	-	5,004,334
		2,393,012,513	-	2,393,012,513
TOTAL EQUITY AND LIABILITIES		5,207,388,668	258,822,916	5,466,211,584

Notes to the standalone financial statements

Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(Amount in ₹)

	As per IGAAP	Adjustments	Ind AS
REVENUE :			
Revenue from Operations	4,021,715,961	-	4,021,715,961
Other Income	12,356,736	989,202	13,345,938
Total Revenue	4,034,072,697	989,202	4,035,061,899
EXPENSES :			
Cost of Materials Consumed	2,664,038,193	-	2,664,038,193
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(66,262,256)	-	(66,262,256)
Expenditure on Contracts	358,556,213	-	358,556,213
Employee Benefit Expense	428,709,250	1,770,884	430,480,134
Finance Cost	204,219,660	217845	204,437,505
Depreciation and Amortization Expense	49,270,179		49,270,179
Other Expenses	253,090,106	91830	253,181,936
Total Expenses	3,891,621,345	2,080,559	3,893,701,904
Profit Before Tax	142,451,352	(1,091,357)	141,359,995
Tax Expense :			
- Current Tax	52,300,000	-	52,300,000
- Deferred Tax	(1,816,380)	(632,008)	(2,448,388)
- Tax Adjustment for Earlier Years	2,950,080	-	2,950,080
	53,433,700	(632,008)	52,801,692
Profit after tax carried to Balance Sheet	89,017,652	(459,349)	88,558,303
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(a) Re-measurement gains (losses) on defined benefit plans	-	1,770,884	1,770,884
Income tax effect on above	-	(612,868)	(612,868)
Equity Instruments through Other Comprehensive Income			
(b) (Gain on Fair valuation of Long Term Investment)	-	55,306	55,306
Income tax effect on above	-	(19,140)	(19,140)
Total Other Comprehensive Income	-	1,194,182	1,194,182
Total Comprehensive Income for the year	89,017,652	734,833	89,752,485

Notes on adjustment of Profit & Loss Account:

1. There is an effect of interest income and rental expenses on security deposit given.
2. Fair value of loan liabilities.
3. Fair value of investment.

Notes to the standalone financial statements

Summary of reconciliation of movement in profit and loss on transition to IND AS for year ended March 31, 2017

Net profit as per Indian GAAP	89,017,652
Adjustments:	
Recognition of Interest on security deposit given	86,653
Gain on Fair Valuation of investment	902,549
Reclassification of Actuarial (gain)/ losses on Employee defined Banefit plans to Other Comprehensive Income	(1,770,884)
Amortisation of Loan Porocessing Fees	(217,845)
Recognition of rent expenses on security deposit given	(91,830)
Tax Impact on Other Comprehensive Income	632,008
Total Adjustments	(459,349)
Net Profit as per IND AS (A)	88,558,303
Actuarial gain on employee defined benefit plans (net of tax)	1,158,016
Gain on Fair Valuation of Long Term Investment (net of tax)	36,166
Total Comprehensive Income as per IND AS	89,752,485

50. The board of directors of the Company has recommended dividend @ Rs.2/- per share to be paid to the shareholders after getting approval from shareholder in the ensuing Annual General Meeting. The dividend alongwith dividend distribution tax would be accounted for under IND AS in the year in which it would be paid.
51. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.
52. Notes 1 to 51 are annexed and form integral part of Financial Statements.

As per our report attached

For G C Agarwal & Associates

Chartered Accountants

Firm Regn. No. 017851N

For and on behalf of the Board of Directors

G C Agarwal

Proprietor

M. No. 083820

Avinash C Gupta

Managing Director

DIN- 00012077

Arjun Gupta

Whole-Time Director

DIN-00012092

PLACE : New Delhi

Dated : 26th May 2018

Suman Kumar Verma

Company Secretary

M. No. F7409

Sandeep Kumar Vij

Chief Financial Officer

M. No. 076443

INDEPENDENT AUDITORS' REPORT

To the Members of **TECHNOFAB ENGINEERING LIMITED**

Report on Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of **TECHNOFAB ENGINEERING LIMITED** ("the Company") and its subsidiaries hereinafter referred to as the "Group" to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at 31st March, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended, the consolidated Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flow statement and consolidated statement of 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, read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended). The Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act. Those Standards and pronouncements require that
5. We comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information

and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by 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 31st March, 2018, their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated statement of Change in Equity for the year ended on that date.

Other Matters

9. We did not audit the financial statements of three subsidiaries included in the consolidated financial results whose financial statements reflect total assets of Rs. 273,491,390/- as at 31st March, 2018, total revenues of Rs.19,109,723/-, total net profit of Rs.8,971,490/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been submitted to us by the Management. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. 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.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - In our opinion, proper books of account as required by law maintained by the Company, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Company.
 - 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 by the group including relevant records maintained by the company for the purpose of preparation of the Consolidated Financial Statements.

- In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 (as amended).
- On the basis of written representation received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- 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:
 - The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 45 in the Consolidated Financial Statements.
 - The Group did not have any long-term contracts including derivative contracts as at 31st March, 2018
 - There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2018

For G C Agarwal & Associates
Chartered Accountants
Firm Registration No: 017851N

Place: New Delhi
Date: 26th May, 2018

G. C. Agarwal
Proprietor
M.No. 083820

Annexure A to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the Board of Directors of **TECHNOFAB ENGINEERING LIMITED** on the Consolidated financial statements for the year ended 31st March, 2018

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

1. We have audited the internal financial controls over financial reporting of **TECHNOFAB ENGINEERING LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act is not applicable to subsidiary companies which are companies not incorporated in India.

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 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G C Agarwal & Associates
Chartered Accountants
Firm Registration No: 017851N

Place: New Delhi
Date: 26th May, 2018

G. C. Agarwal
Proprietor
M.No. 083820

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note no.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
		₹	₹	₹
ASSETS				
(1) Non-Current Assets				
Property, Plant and Equipment	5	674,775,633	693,664,520	758,061,669
Other Intangible assets	6	2,677,345	2,917,250	1,876,193
Goodwill		56,500,960	56,500,960	56,500,960
Financial Assets				
(i) Investments	7	597,571	1,015,448	1,033,029
(ii) Other Financial Assets	8	237,654,767	101,949,223	17,250,622
Other Non Current Assets	9	8,164,227	1,198,106	213,034
		980,370,503	857,245,507	834,935,507
(2) Current Assets				
Inventories	10	424,263,419	372,777,838	442,549,504
Financial Assets				
(i) Investments	11	205,461,172	12,177,473	6,275,124
(ii) Trade Receivables	12	4,343,890,555	3,354,809,488	3,214,175,988
(iii) Cash and Cash Equivalents	13	74,446,978	72,676,385	40,804,782
(iv) Other Bank balances other than (iii) above	14	461,065,417	407,726,961	471,444,748
(v) Other Financial Assets	15	130,207,115	21,814,479	20,206,085
Current Tax Assets (Net)	16	78,725,990	93,925,285	76,574,484
Other Current Assets	17	269,395,828	336,325,451	401,405,546
		5,987,456,474	4,672,233,360	4,673,436,261
Total		6,967,826,977	5,529,478,867	5,508,371,768
EQUITY AND LIABILITIES				
(1) Shareholder's Funds:				
Equity Share Capital	18	104,900,000	104,900,000	104,900,000
Other Equity	19	2,746,157,915	2,599,941,427	2,512,486,787
		2,851,057,915	2,704,841,427	2,617,386,787
(2) Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	20	136,855,520	34,684,410	54,993,064
(ii) Other Financial Liabilities	21	406,864	406,864	357,364
Provisions	22	8,485,863	8,216,929	6,047,956
Deferred Tax Liabilities (Net)	23	24,225,686	26,340,195	28,150,187
Other non current liabilities	24	828,247,360	361,419,584	299,515,902
		998,221,293	431,067,982	389,064,473
(3) Current Liabilities				
Financial Liabilities				
(i) Borrowings	25	884,003,177	936,581,244	877,000,472
(ii) Trade Payables				
Dues to Micro and Small Enterprises		-	-	-
Dues to Others	26	1,876,195,874	1,086,344,067	1,423,022,580
(iii) Other Financial Liabilities	27	43,908,954	19,840,277	20,262,315
Other Current Liabilities	28	309,182,725	345,799,536	176,103,772
Provisions	29	5,257,040	5,004,334	5,531,369
		3,118,547,770	2,393,569,458	2,501,920,508
Total		6,967,826,977	5,529,478,867	5,508,371,768

See accompanying notes forming part of the statements
In term of our report attached

As per our report attached
For G C Agarwal & Associates
Chartered Accountants
Firm Reg. No.017851N

G. C. Agarwal
Proprietor
Mem. No.083820

Date : 26.05.2018
Place : New Delhi

Avinash C Gupta
Managing Director
DIN - 00012077

Sandeep Kumar Vij
Chief Financial Officer
Mem. No.076443

For and on behalf of Board of Directors

Arjun Gupta
Whole-time Director
DIN-00012092

Suman Kumar Verma
Company Secretary
Mem. No.F7409

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note no.	Year Ended March 31, 2018	Year Ended March 31, 2017
REVENUE :		₹	₹
Revenue from Operations	30	4,351,033,793	4,021,715,961
Other Income	31	23,574,210	11,596,608
Total Revenue		4,374,608,003	4,033,312,569
EXPENSES :			
Cost of Materials Consumed	32	2,733,757,928	2,664,037,156
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	(12,969,702)	(66,262,256)
Expenditure on Contracts	34	410,135,860	358,106,213
Employee Benefit Expense	35	452,956,248	432,467,767
Finance Costs	36	295,821,318	204,440,817
Depreciation and Amortization Expense	5 & 6	42,360,998	50,310,114
Other Expenses	37	232,290,137	251,144,220
Total Expenses		4,154,352,786	3,894,244,031
Profit Before Tax		220,255,217	139,068,538
Tax Expense :			
- Current Tax		76,444,212	52,300,000
- Deferred Tax		(3,038,913)	(2,442,000)
- Tax Adjustment for Earlier Years		2,380,093	2,950,080
Total Tax Expenses		75,785,392	52,808,080
Profit after tax for the year		144,469,824	86,260,458
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(a) Re-measurement gains (losses) on defined benefit plans		2,425,350	1,770,884
Income tax effect on above		(839,366)	(612,868)
(b) Equity Instruments through Other Comprehensive Income			
Gain on Fair valuation of Long Term Investment		245,716	55,306
Income tax effect on above		(85,037)	(19,140)
Total Other Comprehensive Income		1,746,663	1,194,182
Total Comprehensive Income for the year		146,216,487	87,454,640
Earning per share (₹)			
Basic		13.77	8.22
Diluted		13.77	8.22
Face Value of Share (₹)		10.00	10.00

See accompanying notes forming part of the statements
In term of our report attached

As per our report attached
For G C Agarwal & Associates
Chartered Accountants
Firm Reg. No.017851N

G. C. Agarwal
Proprietor
Mem. No.083820

Date : 26.05.2018
Place : New Delhi

Avinash C Gupta
Managing Director
DIN - 00012077

Sandeep Kumar Vij
Chief Financial Officer
Mem. No.076443

For and on behalf of Board of Directors

Arjun Gupta
Whole-time Director
DIN-00012092

Suman Kumar Verma
Company Secretary
Mem. No.F7409

Consolidated Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity Share Capital					(Amount in ₹)	
	Balance as at 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018	
	1,049,00,000	-	104,900,000	-	104,900,000	
B. Other Equity						
Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Items of Other Comprehensive Income		Total
				Items that will not be reclassified to Profit and Loss		
				Remeasurement of Defined Benefit Plans	Equity Instruments through Other Comprehensive Income	
Balance as at April 1, 2016	736,221,323	745,794,058	1,030,471,406	-	-	2,512,486,787
Profit for the year ended 31st March, 2017	-	-	86,260,458	-	-	86,260,458
Less: Transferred to General reserve	-	25,000,000	(25,000,000)	-	-	-
Re-measurement gains (losses) on defined benefit plans	-	-	-	1,158,016	-	1,158,016
Gain on Fair valuation of Long Term Investment	-	-	-	-	36,166	36,166
Balance as at March 31, 2017	736,221,323	770,794,058	1,091,731,864	1,158,016	36,166	2,599,941,427
Less: Transferred to General reserve	-	40,000,000	(40,000,000)	-	-	-
Profit for the year ended 31st March, 2018	-	-	144,469,824	-	-	144,469,824
Re-measurement gains (losses) on defined benefit plans	-	-	-	1,585,984	-	1,585,984
Gain on Fair valuation of Long Term Investment	-	-	-	-	160,679	160,679
Balance as at March 31, 2018	736,221,323	810,794,058	1,196,201,688	2,744,000	196,845	2,746,157,914

See accompanying notes forming part of the statements
In term of our report attached

As per our report attached
For G C Agarwal & Associates
Chartered Accountants
Firm Reg. No.017851N

G. C. Agarwal
Proprietor
Mem. No.083820

Date : 26.05.2018
Place : New Delhi

For and on behalf of Board of Directors

Avinash C Gupta
Managing Director
DIN - 00012077

Sandeep Kumar Vij
Chief Financial Officer
Mem. No.076443

Arjun Gupta
Whole-time Director
DIN-00012092

Suman Kumar Verma
Company Secretary
Mem. No.F7409

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
(A) CASH FLOW FROM OPERATING ACTIVITIES	₹	₹
Net Profit Before Tax and Extraordinary Item	220,255,217	139,068,538
Adjustment for :		
Depreciation	42,360,998	50,310,114
Interest Expenses	182,086,684	98,947,980
Loss on Sale of Property, Plant and Equipments (Net)	1,442,583	3,632,946
Dividend Income	(278,362)	(2,798)
Bad debts	125,554,258	116,195,012
Gain on fair valuation of Mutual Fund	(705,789)	(902,549)
Interest Income on fair valuation of Security Deposits	(100,638)	(86,653)
Profit on sale of Investments (Net)	(98,089)	-
Unrealised Foreign Exchange Fluctuation	(17,354,859)	26,263,534
Operating Profit before Working Capital Changes	553,162,002	433,426,124
Adjustment for :		
Trade Receivables	(1,097,280,466)	(283,092,046)
Loans and Advances and other assets	(237,473,135)	41,505,816
Inventories	(51,485,581)	69,771,666
Trade and Other payables	1,223,255,478	(101,561,439)
Cash Generated from Operation	390,178,299	160,050,121
Direct Taxes Paid	(63,625,010)	(72,600,881)
Net Cash Flow from Operating Activities (A)	326,553,289	87,449,240
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(28,190,499)	(15,261,633)
Sale of Property, Plant and Equipments	3,515,710	24,674,665
Sale / (Purchase) of Investments (Net)	(192,061,943)	(4,982,220)
Dividend Received	278,362	2,798
Net Cash from (-used) in Investing Activities (B)	(216,458,370)	4,433,610
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(181,986,046)	(98,861,327)
Proceeds / (Repayment) from / of Long term Borrowings (Net)	126,239,787	(20,730,692)
Proceeds / (Repayment) from / of Short term Borrowings (Net)	(52,578,066)	59,580,772
Net Cash Flow From Financing Activities (C)	(108,324,325)	(60,011,247)
Net Increase in Cash & Cash Equivalents (A+B+C)	1,770,594	3,18,71,603
Cash & Cash Equivalents (Opening Balance)	72,676,385	40,804,782
Cash & Cash Equivalents (Closing Balance)	74,446,978	72,676,385

See accompanying notes forming part of the statements
 In term of our report attached

For G C Agarwal & Associates
 Chartered Accountants
 Firm Reg. No.017851N

G. C. Agarwal
 Proprietor
 Mem. No.083820

Date : 26.05.2018
 Place : New Delhi

For and on behalf of Board of Directors

Avinash C Gupta
 Managing Director
 DIN - 00012077

Sandeep Kumar Vij
 Chief Financial Officer
 Mem. No.076443

Arjun Gupta
 Whole-time Director
 DIN-00012092

Suman Kumar Verma
 Company Secretary
 Mem. No.F7409

Significant Accounting Policies and Notes to Consolidated Financial Statements

1. Corporate and General Information

Technofab Engineering Limited (the Company) is domiciled and incorporated in India on 20th July, 1971. The registered office of the company is situated at 507, Eros Apartments, 56, Nehru Place, New Delhi – 110 019, India.

Under Companies Act, 2013, Group is defined as parent, subsidiaries, joint ventures and associates. For these consolidated financial statements, the aforesaid definition under Companies Act, 2013 has been considered.

The Group is engaged in the business of engineering, procurement and construction (EPC) Contracts for electricity, water infrastructure, oil handling systems etc. on a turnkey, supply or erection basis.

2. Basis of preparation

The Group has adopted IND AS for the financial year beginning on April 1, 2017 with April 1, 2016 as the date of transition. These are the Group's first annual financial statements prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015 (as amended). The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Group has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as of April 1, 2016 and March 31, 2017 and on the net profit and cash flows for the year ended March 31, 2017 is disclosed in Note 49 to these financial statements.

The significant accounting policies used in preparing the consolidated financial statements are set out in Note 3 of the Notes to the consolidated financial statements.

The preparation of consolidated financial statements

requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note 4 on critical accounting estimates, assumptions and judgements).

Basis of Consolidation

The Consolidated financial statements have been prepared on the following principles:

The Consolidated financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together items of assets, liabilities, income and expenses, after eliminating the intra-group balances, intra-group transactions and unrealised profits or losses in accordance with Indian Accounting Standards (IND AS 110) on "Consolidated financial Statements" notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rule 2015 as amended time to time.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The Consolidated Financial Statements include the results of the following subsidiaries:

S. No.	Name of Subsidiaries	Country of Incorporation	Percentage of ownership interest as at 31st March 2018
1	Arihant Flour Mills Pvt Ltd	India	100%
2	Woodlands Instruments Pvt Ltd	India	100%
3	Rivu Infrastructural Developers Pvt Ltd	India	100%

3. Significant Accounting Policies

3.1 Basis of Measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention except following which have been measured at fair value:

- Financial assets and liabilities, (carried at amortised cost),
- Defined benefit plans – plan assets measured at fair value,
- Property, plant and equipment on transition to IND AS, refer Note 5 to the financial statements.

3.2 Property, Plant and equipment

- a) For transition to IND AS, the Group has adopted optional exception under IND AS 101 to measure land under the head 'Property, Plant and Equipment' at fair value. (Refer Note 5 to the financial statements) Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Depreciation is provided on Straight Line Method over the remaining useful life of the assets in the manner prescribed in Schedule II of the Companies Act, 2013.
- c) The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.3 Intangible Assets

Identifiable intangible assets are recognised a) when the Group controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the

asset can be reliably measured.

Computer software are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding four years on straight line basis. The assets' useful lives are reviewed at each financial year end.

Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses. On loss of control over subsidiary, the attributable amount of goodwill is included in the determination of profit and loss recognised in the profit and loss statement on disposal.

3.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Group's cash management.

3.5 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition.

3.6 Employee benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- b) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from

experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

- c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in Statement of Profit and loss.

3.7 Foreign currency reinstatement and translation

- a. Functional and presentation currency

These financial statements have been presented in Indian Rupees (₹), which is the Group's functional and presentation currency.

- b. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at rates prevailing at the date of the transactions. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference is recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

- 3.8 Financial instruments – initial recognition, subsequent measurement and impairment

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

A. Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

i. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables, the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

ii. Investment in equity shares

For transition to IND AS, the Group has adopted optional exception under IND AS 101 to fair value its investments.

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. In the case of long term investments, the gain/(loss) are recognized

through Other Comprehensive Income. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.

B. Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities are classified in two categories; subsequent measurement of financial assets is dependent on initial categorisation. These categories and their classification are as below:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Group has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

ii. Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using

the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

iii. Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.9 Equity share capital

Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

3.10 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.11 Taxation

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are set off, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.12 Revenue recognition and other operating income

Revenue from construction contracts

Revenue from construction services are recognised on percentage completion method on invoicing of services

and transfer of goods. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Estimated loss on project activity to be undertaken in future years is provided for.

Other Income

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Export Benefits

Export benefits i.e. duty drawback is accounted for only when the right to receive the same is established.

Dividend

Dividend income is recognised when the right to receive dividend is established.

3.13 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.14 Provisions and contingencies

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Gratuity and leave encashment provision

Refer Note 3.6 for provision relating to gratuity and leave encashment.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.15 Exceptional items

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

3.16 Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.17 Dividend and dividend distribution tax

Annual divided distribution to the shareholders is recognised as a liability in the period in which the dividend are approved by the shareholders. Any interim dividend paid is recognised on approval by board of directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

3.18 Recent accounting development

Standards issued but not yet effective:

Ind AS 115 - Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs had notified Ind AS 115 (Revenue from Contracts with Customers) which would be applicable for accounting periods beginning on or after 1 April 2018. This Standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Revenue is recognised when a customer obtains control of a promised good or service. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

The Group is in the process of assessing the detailed potential impact of Ind AS 115, Revenue from Contracts with Customer on its financial statements and related disclosures. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements.

Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

In March, 2018, the Ministry of Corporate Affairs (MCA) has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which would be applicable for accounting periods beginning on or after 1 April 2018. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

Presently the Group is not able to reasonably estimate the impact of the application of the appendix B on the financial statements.

4. Critical accounting estimates, assumptions and judgements

In the process of applying the Group's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of

deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(b) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

(c) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

(d) Insurance claims

Insurance claims are recognised when the Group have reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

Notes to the consolidated financial statements
Note - 5 Property, Plants and Equipments

(Amount in ₹)

Particulars	Land	Temporary Structure	Buildings	Barges	Plant and Equipments	Furniture and Fixture	Office Equipment	Vehicles	Computer	Total
Gross Block										
As at April 1, 2016	383,472,580	19,929,095	64,099,134	80,401,884	151,962,936	2,245,279	2,092,375	49,946,342	3,912,044	758,061,669
Additions	-	289,377	-	-	3,075,450	270,979	687,945	7,653,250	1,298,191	13,275,192
Adjustment	24,687,580	615,504	-	-	3,760,035	447,387	-	2,297,503	35,236	31,843,245
As at March 31, 2017	358,785,000	19,602,968	64,099,134	80,401,884	151,278,351	2068,871	2,780,320	55,302,089	5,174,999	739,493,616
Additions		1098,664	-	-	10,067,821	1,395,072	-	11,654,261	3,031,105	27,246,923
Adjustment		-	-	-	6,673,849	112,195	20,490	5,171,057	209,735	12,187,326
As at March 31, 2018	358,785,000	20,701,632	6,099,134	80,401,884	154,672,323	3,351,748	2,759,830	61,785,293	7,996,369	754,553,213
Accumulated Depreciation										
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	11,514,338	2,453,469	5,999,562	16,447,298	445,925	987,025	9,302,707	2,214,406	49,364,730
Adjustment	-	584,729	-	-	1,864,963	109,323	-	949,726	26,893	3,535,634
As at March 31, 2017	-	10,929,609	2,453,469	5,999,562	14,582,335	336,602	987,025	8,352,981	2,187,513	45,829,096
Charge for the year		3,496,942	2,362,703	5,999,562	16,406,105	445,859	584,487	9,983,426	1,898,433	41,177,517
Adjustment		-	-	-	2,556,560	72,556	19,466	4,381,203	199,248	7,229,033
As at March 31, 2018	-	14,426,551	4,816,172	11,999,124	28,431,880	709,905	1,552,046	13,955,204	3,886,698	79,777,580
Net Carrying Amount										
As at April 1, 2016	383,472,580	19,929,095	64,099,134	80,401,884	151,962,936	2,245,279	2,092,375	49,946,342	3,912,044	758,061,669
As at March 31, 2017	358,785,000	8,673,359	61,645,665	74,402,322	136,696,016	1,732,269	1,793,295	46,949,108	2,987,486	693,664,520
As at March 31, 2018	358,785,000	6,275,081	59,282,962	68,402,760	126,240,443	2,641,843	1,207,784	47,830,089	4,109,671	674,775,633

Notes to the consolidated financial statements

Note - 6 Other Intangible assets

(Amount in ₹)		
Particulars	Software	Total
Gross Block		
As at April 1, 2016	1,876,193	1,876,193
Additions	1,986,441	1,986,441
As at March 31, 2017	3,862,634	3,862,634
Additions	943,576	943,576
As at March 31, 2018	4,806,210	4,806,210
Accumulated Depreciation		
As at April 1, 2016	-	-
Charge for the year	945,384	945,384
As at March 31, 2017	945,384	945,384
Charge for the year	1,183,481	1,183,481
As at March 31, 2018	2,128,865	2,128,865
Net Carrying Amount		-
As at April 1, 2016	1,876,193	1,876,193
As at March 31, 2017	2,917,250	2,917,250
As at March 31, 2018	2,677,345	2,677,345

Notes to the consolidated financial statements

Note -7 Non-current Investments

Particulars	Face Value	Qty. in nos.	As at 31.03.2018 ₹	Qty. in nos.	As at 31.03.2017 ₹	Qty. in nos.	As at 01.04.2016 ₹
Non-current Investments - Non Trade (Long Term Investments at Fair Value)							
(I) Equity Shares, Fully Paid up (quoted)							
Ahluwalia Contracts Ltd.	2	100	37,590	100	31,375	100	30,320
C & C Construction Ltd.	10	100	4,645	100	3,530	100	1,025
Hind Dorr-Oliver Ltd.	2	74037	322,061	74037	707,053	74037	788,494
Hindustan Construction Ltd.	1	100	2,220	100	3,955	100	1,950
IVRCL Infrastructure Ltd.	2	100	300	100	495	100	640
Larsen & Toubro Ltd.	2	225	196,635	150	236,235	150	182,505
Nagarjuna Construction Ltd.	2	100	11,755	100	8,195	100	7,580
Patel Engineering Ltd.	1	100	6,025	100	7,860	100	5,555
Shriram EPC Ltd.	10	200	5,240	200	5,550	200	5,060
Unitech Ltd.	2	2000	11,100	2000	11,200	2000	9,900
Total (I)			597,571		1,015,448		1,033,029
(II) Unquoted Equity shares, Fully Paid up							
Hydro Air Tectonics (PCD) Ltd.	10	390000	-	390000	-	390000	-
Total (Non-current Investments)			597,571		1,015,448		1,033,029

Notes to the consolidated financial statements

Particulars	As At 31.03.2018	As At 31.03.2017	As At 01.04.2016
Note - 8 Other Non Current Financial Assets	₹	₹	₹
Fixed deposits having remaining maturity of more than 12 months*	221,262,008	86,012,577	11,727,893
Security Deposit	16,392,759	15,936,646	5,522,729
Total	237,654,767	101,949,223	17,250,622
*Pledged with Banks as margin for Bank Guarantees and Letter of Credit			
Note - 9 Other Non Current Assets			
Prepaid Expenses	8,164,227	1,198,106	213,034
Total	8,164,227	1,198,106	213,034
Note - 10 Inventories			
Raw Material	194,144,630	155,628,751	291,662,673
Work in Progress	230,118,789	217,149,087	150,886,831
Total	424,263,419	372,777,838	442,549,504
Note - 11 Current Investments	Qty. in nos. As at 31.03.2018	Qty. in nos. As at 31.03.2017	Qty. in nos. As at 01.04.2016
Designated at fair value through Profit and Loss account.	₹	₹	₹
Current Investments (other than trade)			
Unquoted, Fully Paid up units of mutual fund			
BOI Axa Equity Debt Rebancer Fund	-	499990 6,972,061	499990 6,275,124
BOI Axa Regular Return Fund	-	271555 5,205,412	-
Kotak Floater Short Term - Daily Dividend (Regular Plan)	203101 205,461,172	-	-
Total	205,461,172	12,177,473	6,275,124
Note - 12 Trade Receivables #			
Unsecured			
Considered Good	4,343,890,555	3,354,809,488	3,214,175,988
Total	4,343,890,555	3,354,809,488	3,214,175,988
# Trade receivables includes Retention Money			
Note - 13 Cash and Cash Equivalents			
Cash on Hand	4,627,268	3,568,083	19,626,418
Balance with Banks			
in Current Account with Domestic Banks	37,905,403	45,635,603	13,674,552
in Current Account with Foreign Banks	31,914,307	23,472,699	7,503,812
Total	74,446,978	72,676,385	4,080,472

The Current Accounts balance with Scheduled Banks includes amount of ₹ 58,516 (Previous Year ₹ 58,516) enmarked for payment of unpaid dividend.

Notes to the consolidated financial statements

	Qty. in nos.	As at 31.03.2018 ₹	Qty. in nos.	As at 31.03.2017 ₹	Qty. in nos.	As at 01.04.2016 ₹
Note - 14 Other Bank Balances						
Fixed deposits having remaining maturity of less than twelve months		461,065,417		407,726,961		471,444,748
Total		461,065,417		407,726,961		471,444,748
* Pledged with Banks as margin for Bank Guarantees and Letter of Credit						
Note - 15 Other Current Financial Assets (Unsecured, Considered good)						
Security Deposit		9,499,086		14,312,879		12,704,485
Margin against Finance		15,000,000		-		-
Other Receivables		7,501,600		7,501,600		7,501,600
Unbilled Receivables		40,460,000		-		-
Advance against Supplies		57,746,429				
Total		130,207,115		21,814,479		20,206,085
Note - 16 Current Tax Assets (Net)						
Advance Taxes and Tax Deducted at Source (Net of Provision)		78,725,990		93,925,285		76,574,484
Total		78,725,990		93,925,285		76,574,484
Note - 17 Other Current Assets (Unsecured, Considered good)						
Recoverable from Revenue Authorities		86,800,907		79,038,531		50,059,838
Prepaid Expenses		78,080,050		58,120,788		38,312,447
Advance for supply of raw materials & Others		81,914,419		187,972,844		297,754,949
Advance to employee		22,600,452		11,193,288		15,278,312
Total		269,395,828		336,325,451		401,405,546

Particulars	As At 31.03.2018 ₹	As At 31.03.2017 ₹	As At 01.04.2016 ₹
Note - 18 Share Capital			
Authorised Capital			
180,00,000 Equity shares of ₹10/- each	180,000,000	180,000,000	180,000,000
Issued, Subscribed & Paid up			
104,90,000 Equity shares of ₹10/- each	104,900,000	104,900,000	104,900,000
Total	104,900,000	104,900,000	104,900,000

Notes to the consolidated financial statements

Note : (i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Particulars	As At 31.03.2018		As At 31.03.2017		As At 01.04.2016	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Shares at the beginning of the year	10490000	104,900,000	10490000	104,900,000	10490000	104,900,000
Addition during the year	-	-	-	-	-	-
Shares at the end of the year	10490000	104,900,000	10490000	104,900,000	10490000	104,900,000

(ii) List of share holders holding more then 5% of the total shares of the Company.

Name of the shares holders	As At 31.03.2018		As At 31.03.2017		As At 01.04.2016	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Avinash Chander Gupta	3313096	31.58	3313096	31.58	3313096	31.58
Emerging India Focus Fund	-	-	752153	7.17	752153	7.17
Pragmatic Traders Pvt. Ltd.	568476	5.42	-	-	-	-

Particulars	As At 31.03.2018	As At 31.03.2017	As At 01.04.2016
Note - 19 Other Equity			
(i) Securities Premium Reserve	736,221,323	736,221,323	736,221,323
(ii) General Reserve			
As per last accounts	770,794,058	745,794,058	720,794,058
Add : Transfer from statement of Profit and Loss A/c	40,000,000	25,000,000	25,000,000
Closing Balance	810,794,058	770,794,058	745,794,058
(iii) Surplus			
As per last accounts	1,092,926,046	1,030,471,406	942,036,481
Add : Profit after tax for the year	146,216,487	87,454,640	113,434,925
Less : Transfer to General Reserve	40,000,000	25,000,000	25,000,000
Closing Balance	1,199,142,534	1,092,926,046	1,030,471,406
Total	2,746,157,915	2,599,941,427	2,512,486,787

Nature of Reserves

Retained Earnings represent the undistributed profits of the Company

Other Comprehensive income Reserve represent the balance in equity for items to be accounted in other comprehensive income. OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

General reserve represents the statutory reserve, this is in accordance with Indian corporate law wherein a portion of profit is apportioned to general reserve. Under companies act 1956 it was mandatory to transfer amount before a company can declare dividend. however under companies act 2013 transfer of any amount to General reserve is at the discretion of the company.

Securities premium reserve represents the amount received in excess of per value of securities (equity share, preference shares and debentures), premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. section 52 of Companies act 2013 specify restriction and utilisation of security.

Notes to the consolidated financial statements

	Particulars	As At 31.03.2018	As At 31.03.2017	As At 01.04.2016
Note - 20	Non Current borrowings	₹	₹	₹
	Term Loans			
	From Banks			
	Secured			
	Vehicle Loans*	4,849,423	2,868,499	6,341,889
	Equipment Loans**	15,938,039	31,815,911	48,651,175
	From NBFC***	116,068,058	-	-
	Total	136,855,520	34,684,410	54,993,064
	* Secured by hypothecation of the vehicle and repayable terms of term loans ₹19,992,790 payable one to three and ₹978,783 payable more than three years @10 to 13% p.a. rate of interest. ** ECB Loan of USD 495,000/- is secured against hypothecation of plant and machinery purchased for International Projects @ 3.823% pa rate of interest. Including current maturity of USD 247,500/-. The loan payable in financial year 2018-2019 USD 247,500/- and financial year 2019-2020 USD 247,500/-. The loan carry at 2019-2020 USD it at six month LIBOR Plus 3.5%. The loan is net of transaction cost. *** Loan from NBFC is secured against mortgage of immovable property of Subsidiary Companies. The loan is repayable in F.Y. 2019-2020 ₹24,262,936/-, F.Y.2020-2021 ₹29,197,806/-, F.Y. 2021-2022 ₹32,576,532/- and F.Y. 2022-2023 ₹30,030,784/-. The loan carries interest @ 11.50% p.a.			
Note - 21	Other Non Current Financial Liabilities			
	Others Payables			
	Vehicle Security	406,864	406,864	357,364
	Total	406,864	406,864	357,364
Note - 22	Provisions			
	Long Term Provisions			
	Gratuity	5,577,819	3,989,106	2,538,200
	Leave Encashment	2,908,044	4,227,823	3,509,756
	Total	8,485,863	8,216,929	6,047,956
Note - 23	Deferred tax Liability comprised of the following: -			
	Liability			
	Difference in WDV of Fixed Assets as per book and Income Tax Act.	30,895,935	30,909,422	32,172,758
	Assets			
	Expenses allowable under Income Tax Act on payment basis	6,670,249	4,569,227	4,022,571
	Net Deferred Tax Liability	24,225,686	26,340,195	28,150,187
Note - 24	Other Long Term Liabilities			
	Others Payables			
	Advance from Customers	828,247,360	361,419,584	299,515,902
	Total	828,247,360	361,419,584	299,515,902
Note - 25	Current borrowings (Secured)			
	From Banks			
	Working Capital**	884,003,177	936,581,244	877,000,472
	Total	884,003,177	936,581,244	877,000,472

* Working capital loan is secured against tangible movable assets including stock, stores and book debts of the Company and against equitable mortgage of the Company's immovable properties comprising land, building and other structures and fittings, fixed plant and machinery and other fixtures and fittings erected or installed at factory land and building and personal guarantee of two Directors & one Erstwhile Director.

Notes to the consolidated financial statements

Particulars	As At 31.03.2018	As At 31.03.2017	As At 01.04.2016
Note - 26 Trade Payables	₹	₹	₹
Dues to Micro and Small Enterprises	-	-	-
Dues to Others	1,876,195,874	1,086,344,067	1,423,022,580
Total	1,876,195,874	1,086,344,067	1,423,022,580

There are no Micro and Small Enterprises, to whom the company owes dues as at 31st march 2018. This Information as Required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been Determined to the extent such Parties have been identified on the bases of information available with the Company.

Note - 27 Other Current Financial Liabilities			
Unpaid Dividend	58,516	58,516	58,516
Current Maturity of Long Term Borrowing			
(a) Vehicle Loans	4,270,348	3,736,336	3,645,819
(b) Equipment Loans	16,122,150	16,045,425	16,557,980
(c) from NBFC	23,457,940	-	-
Total	43,908,954	19,840,277	20,262,315

Note - 28 Other Current Liabilities			
Other Payable*	154,127,309	270,287,845	111,516,260
Advance from Customers	155,055,416	75,511,691	64,587,512
Total	309,182,725	345,799,536	176,103,772

* includes GST and other expenses payable etc.

Note - 29 Current Provisions			
Gratuity	4,297,574	3,694,102	4,303,026
Leave Encashment	959,466	1,310,232	1,228,343
Total	5,257,040	5,004,334	5,531,369

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Note - 30 Revenue from Operations	₹	₹
Construction Contract	4,347,978,354	4,019,774,661
Export Incentives	3,055,439	1,941,300
Total	4,351,033,793	4,021,715,961
Note - 31 Other Income		
Miscellaneous Income	3,651,075	10,545,425
Interest from Others	6,212	6,683
Rent Received	81,330	52,500
Dividend Income from Long Term Investments	278,362	2,798
Gain on Fair Valuation of Mutual fund	705,789	902,549
Interest Income on fair valuation of Security Deposits	100,638	86,653
Exchange Rate Variation (Net)	18,652,715	-
Profit on sale of Investments (Net)	98,089	-
Total	23,574,210	11,596,608

Notes to the consolidated financial statements

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
	₹	₹
Note - 32 Cost of Materials Consumed	2,733,757,928	2,664,037,156
Note - 33 (Increase) / Decrease in Raw Material & Work in progress		
(a) Opening Stock		
Raw Material		
Work-in-Progress	217,149,087	150,886,831
Total a	217,149,087	150,886,831
(b) Closing Stock		
Raw Material		
Work-in-Progress	230,118,789	217,149,087
Total b	230,118,789	217,149,087
Total (a-b)	(12,969,702)	(66,262,256)
Note - 34 Expenditure on Contracts	₹	₹
Power and Fuel	22,551,685	28,139,753
Inspection and Testing	12,996,638	4,986,090
Repairs and Maintenance	39,526,830	34,085,761
Freight, Forwarding and Clearing	75,295,539	45,680,700
Rates and Taxes	39,311,820	30,287,990
Rent and Hire Charges	46,064,083	49,025,188
Insurance	31,141,025	18,867,052
Other Site Expenses	143,149,008	146,941,849
Rent Expense on Security Deposit Discounting	99,232	91,830
Total	410,135,860	358,106,213
Note - 35 Employee Benefit Expense		
Salaries, Wages and Other Allowances	403,030,968	380,542,500
Contribution to Provident and Other Funds	32,299,800	33,011,062
Workmen and Staff Welfare	17,625,480	18,914,205
Total	452,956,248	432,467,767
Note - 36 Finance Cost		
Interest	212,190,302	133,906,561
Bank Charges	113,734,635	105,492,837
	325,924,937	239,399,398
Less:-		
Interest Income on Fixed Deposit Receipts	30,103,619	34,958,581
Total	295,821,318	204,440,817

Notes to the consolidated financial statements

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
	₹	₹
Note - 37 Other Expenses		
Power and Fuel	4,355,682	5,112,428
Repairs to Building	78,344	87,859
Repairs to Machinery	22,067	36,832
Repairs to Others	15,985,957	13,555,952
Insurance	2,629,364	2,329,534
Rates and Taxes	4,905,258	2,682,578
Exchange Rate Variation (Net)	-	33,844,687
Auditors Remuneration	95,950	298,649
Miscellaneous Expenditure	3,982,614	5,074,964
Director's Sitting Fees	1,491,000	1,310,100
Legal and Professional	50,681,282	37,226,704
Rent and Hire Charges	997,604	1,623,152
Communication Charges	3,244,025	4,086,620
Printing and Stationary	3,756,275	4,899,297
Travelling and Conveyance	12,659,204	18,770,355
Vehicle Running and Maintenance Charges	408,670	376,551
Bad Debts	125,554,258	116,195,012
Loss on Sale of Assets (Net)	1,442,583	3,632,946
Total	232,290,137	251,144,220

38. Financial risk management

Financial risk factors

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Group's activities expose it to a variety of financial risks:

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will

fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as of March 31, 2018 and March 31, 2017.

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligation provisions and on the non-financial assets and liabilities. The sensitivity of the

relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The foreign exchange risk is covered under a natural hedge. The Group is not exposed to interest rate risk as most borrowings are at fixed rate.

a) Foreign exchange risk and sensitivity

The Group transacts business in Indian Rupee (₹) and in foreign currency. The Group has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The following table demonstrates the sensitivity in the USD, EURO, TZS and others to the Indian Rupee (₹) with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives hedging contracts is given below:

(Amount in ₹)

Particulars	Net Receivables / (Payables)	Change in Currency Exchange Rate	Effect on Profit/(Loss) before tax
For the year ended 31st March 2018			
USD	3,059,550	+5%	9,964,956
		-5%	(9,964,956)
EURO	(928,802)	+5%	(3,728,209)
		-5%	3,728,209
TZS	1,385,134,205	+5%	2,000,134
		-5%	(2,000,134)
Other (INR Equivalent)	(9,593,808)	+5%	(479,690)
		-5%	479,690
For the year ended 31st March 2017			
USD	4,586,770	+5%	14,643,263
		-5%	(14,643,263)
EURO	1,915,267	+5%	7,336,429
		-5%	(7,336,429)
TZS	1,740,433,629	+5%	2,483,495
		-5%	(2,483,495)
Other (INR Equivalent)	40,994,774	+5%	2,049,737
		-5%	(2,049,737)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment. Summary of exchange difference accounted in Statement of Profit and Loss:

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31, 2017
Currency fluctuations	18,652,715	(33,844,687)
Net Foreign exchange gain/ (losses) shown as operating expenses		

The details of balances with foreign banks are as follows

(Amount in ₹ equivalent)

NAME OF BANKS	Currency	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Outstanding Balance	Maximum balance during the year	Outstanding Balance	Maximum balance during the year	Outstanding Balance	Maximum balance during the year
PRUDENTIAL BANK LTD - GHANA	GHS	38,252	770,335	208,757	6,769,835	1,040,242	3,873,551
BANK OF ABYSSINIA - ETHIOPIA	ETB	1,734,296	2,229,091	1,064,988	1,154,986	1,091,308	1,151,443
STANDARD BANK S.A. MZN C.A.	MZN	9,158,092	9,340,386	6,346,623	6,346,623	851	1,115
STANDARD BANK S.A. USD C.A.	USD	298	298	296	302	217	285
INTERNATIONAL BANK LIBERIA LTD	USD	1,255,248	5,166,469	574,990	4,060,207	1,728,445	6,494,839
EQUITY BANK ISIOLO - KENYA	KES	396	400	400	400	400	15,764
CRDB BANK (TZS) - BUKOBA	TZS	4,572	2,413,569	3,896	4,697,282	433,657	10,365,582
CRDB BANK (USD) - BUKOBA	USD	7,556	6,844,742	-	3,348,137	18,239	1,946,343
CRDB BANK (TZS) - SUMBAWANGA	TZS	55,777	5,253,662	2,385,775	6,219,556	1,860,523	6,514,833
CRDB BANK (USD) - SUMBAWANGA	USD	34,820	3,264,657	650,037	1,419,286	364,189	1,393,264
ECO BANK - ZIMBABWE	USD	738,312	5,789,095	861,130	4,235,624	965,741	9,371,120
STANBIC BANK (UGX)	UGX	1,323,100	3,690,775	3,087,949	4,930,038	-	-
BANK OF BHUTAN (BTN)	BTN	11,238,194	27,773,639	8,287,856	12,559,110	-	-
I & M BANK (RWANDA) LTD. RWF	RWF	552,889	1,063,499	-	-	-	-
I & M BANK (RWANDA) LTD. USD	USD	5,772,504	6,935,411	-	-	-	-

(b) Interest rate risk and sensitivity

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates, any changes in the interest rates environment may impact future cost of borrowing.

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings.

Interest rate sensitivity (Amount in ₹)

Interest rate sensitivity	Increase/Decrease in basis points	Effect on profit before tax
For the year ended March 31, 2018		
INR borrowings	+50	(5,000,355)
	-50	5,000,355
USD borrowings	+25	(179,421)
	-25	179,421
For the year ended March 31, 2017		
INR borrowings	+50	(5,314,104)
	-50	5,314,104
USD borrowings	+25	(341,112)
	-25	341,112

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Commodity price risk and sensitivity

The Group is exposed to the movement in price of key raw materials in domestic and international markets. The Group has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Group enter into contracts for procurement of material, most of the transactions are short term fixed price contract and a very few transactions are long term fixed price contracts.

Credit risk

The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and financial institutions and other financial instruments.

Trade Receivables

The Group extends credit to customers in normal course of business. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly Government. The Group has also taken advances and security deposits from its customers to mitigate the credit risk to an extent.

The ageing of trade receivable is as below:

(Amount in ₹)

Particulars	Past due			Total
	upto 6 months	6 to 12 months	Above 12 months	
As at March 31, 2018				
Trade receivable				
Unsecured, considered good	1,754,991,614	1,262,365,723	1,326,533,218	4,343,890,555
Gross Total	1,754,991,614	1,262,365,723	1,326,533,218	4,343,890,555
Provision for doubtful				
Net Total	1,754,991,614	1,262,365,723	1,326,533,218	4,343,890,555
As at March 31, 2017				
Trade receivable				
Unsecured, considered good	1,497,492,881	588,226,352	1,269,090,255	3,354,809,488
Gross Total	1,497,492,881	588,226,352	1,269,090,255	3,354,809,488
Provision for doubtful				
Net Total	1,497,492,881	588,226,352	1,269,090,255	3,354,809,488
As at April 1, 2016				
Trade receivable				
Unsecured, considered good	1,820,503,388	222,606,891	1,171,065,709	3,214,175,988
Gross Total	1,820,503,388	222,606,891	1,171,065,709	3,214,175,988
Provision for doubtful				
Net Total	1,820,503,388	222,606,891	1,171,065,709	3,214,175,988

Financial instruments and cash deposits

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Group has also availed borrowings. The Group does not maintain significant cash and deposit balances other than those required for its day to day operations.

Liquidity risk

The Group's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary shortfall in liquidity to repay the bank borrowing/operational shortfall, the Group uses mix of capital infusion and borrowing from its subsidiary companies. However, the Group envisage that such shortfall is temporary and the Group would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in ₹)

Particulars	Ageing as on 31st March 2018					Total
	Carrying Amount	On demand	<6 month	6-12 months	> 1 years	
Interest bearing borrowings	1,064,709,135	-	21,925,219	905,928,396	136,855,520	1,064,709,135
Trade payable	1,876,195,874	-	1,876,195,874	-	-	1,876,195,874
Other liabilities	465,380	58,516	-	-	406,864	465,380
Total	2,941,370,389	58,516	1,898,121,093	905,928,396	137,262,384	2,941,370,389

(Amount in ₹)

Particulars	Ageing as on 31st March 2017					Total
	Carrying Amount	On demand	<6 month	6-12 months	> 1 years	
Interest bearing borrowings	991,047,415	-	9,890,881	946,472,124	34,684,410	991,047,415
Trade payable	1,086,344,067	-	1,086,344,067	-	-	1,086,344,067
Other liabilities	465,380	58,516	-	-	406,864	465,380
Total	2,077,856,862	58,516	1,096,234,948	946,472,124	35,091,274	2,077,856,862

(Amount in ₹)

Particulars	Ageing as on 1st April 2016					Total
	Carrying Amount	On demand	<6 month	6-12 months	> 1 years	
Interest bearing borrowings	952,197,335	-	10,101,900	887,102,371	54,993,064	952,197,335
Trade payable	1,423,022,580	-	1,423,022,580	-	-	1,423,022,580
Other liabilities	415,880	58,516	-	-	357,364	415,880
Total	2,375,635,795	58,516	1,433,124,480	887,102,371	55,350,428	2,375,635,795

Unused line of credit (Excluding non fund based facilities)

(Amount in ₹)

Particulars	As on March 31, 2018	As on March 31, 2017	As on April 1, 2016
Secured	265,996,823	78,418,756	92,999,528
Unsecured	-	-	-
Total	265,996,823	78,418,756	92,999,528

Interest rate & currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in ₹)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted Average Rate of Borrowing (%)
INR	1,032,648,946	1,023,529,175	9,119,771	11.22
USD (INR Equivalent)	32,060,189	32,060,189	-	5.85
Total as at March 31, 2018	1,064,709,135	1,055,589,364	9,119,771	
INR	9,43,186,079	936,581,244	6,604,835	10.86
USD (INR Equivalent)	47,861,336	47,861,336	-	4.92
Total as at March 31, 2017	991,047,415	984,442,580	6,604,835	
INR	886,988,180	877,000,472	9,987,708	10.11
USD (INR Equivalent)	65,209,155	65,209,155	-	4.71
Total as at April 1, 2016	952,197,335	942,209,627	9,987,708	

Competition and price risk

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Capital risk management

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Group's capital management is to maximize the shareholder value. The Group's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Group's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Group also proposes to maintain an optimal capital structure

to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2017-18 and FY 2016-17 is as under:

(Amount in ₹)

Particulars	As of March 31, 2018	As of March 31, 2017
Loans and borrowings	1,064,709,135	991,047,415
Less: Cash and cash equivalents	74,446,978	72,676,386
Net debt	990,262,157	918,371,029
Equity	2,851,057,914	2,704,841,427
Total capital	3,841,320,071	3,623,212,456
Gearing ratio	25.78%	25.35%

The Group Plan to reduce its gearing ratio.

39. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are recognised in the financial statements

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designed at amortised cost						
Fixed deposits with banks	682,327,425	682,327,425	493,739,538	493,739,538	483,172,641	483,172,641
Cash and bank balances	74,446,978	74,446,978	72,676,386	72,676,386	40,804,782	40,804,782
Investments	206,058,743	206,058,743	13,192,921	13,192,921	7,308,153	7,308,153
Trade and other receivables	4,343,890,555	4,343,890,555	3,354,809,488	3,214,175,988	3,214,175,988	3,214,175,988
Other financial assets	146,599,874	146,599,874	37,751,126	37,751,126	25,728,814	25,728,814
	5,453,323,575	5,453,323,575	3,972,169,459	3,972,169,459	3,771,190,378	3,771,190,378
Financial liabilities designated at amortised cost						
Borrowings fixed rate	9,119,771	9,119,771	6,604,835	6,604,835	9,987,708	9,987,708
Borrowings fixed rate	1,055,589,364	1,055,589,364	984,442,580	984,442,580	942,209,627	942,209,627
Trade & other payables	1,876,195,874	1,876,195,874	1,086,344,067	1,086,344,067	1,423,022,580	1,423,022,580
Other financial liabilities	465,380	465,380	465,380	465,380	415,380	415,380
	2,941,370,389	2,941,370,389	2,077,856,862	2,077,856,862	2,375,635,795	2,375,635,795

Fair Valuation techniques

The Group maintains policies and procedures to value financial assets and financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

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

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group, based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings is not material different from carrying values. For fixed interest rate borrowing, fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Group is considered to be insignificant in valuation.
- 3) The fair value of fixed interest bearing loans, borrowings and deposits is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- 4) IND AS 101 allow Group to fair value property, plant and machinery on transition to IND AS, the Group has fair valued property, plant and equipment, and the fair valuation is based on replacement cost approach.

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities (level 1) - It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques

maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Assets measured at fair value through profit and loss account (accounted)

(Amount in ₹)

Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
Financial assets			
Current Investment			
-In Mutual Funds	205,461,172		

(Amount in ₹)

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
Financial assets			
Current Investment			
-In Mutual Funds	12,177,473	-	-

(Amount in ₹)

Particulars	As at April 1, 2016		
	Level 1	Level 2	Level 3
Financial assets			
Current Investment			
-In Mutual Funds	6,275,124	-	-

Assets measured at fair value through Other Comprehensive Income (accounted)

(Amount in ₹)

Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
Financial assets			
Non Current Investment			
-In Quoted Investments	597,571	-	-

(Amount in ₹)

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
Financial assets			
Non Current Investment			
-InQuoted Investments	1,015,448	-	-

(Amount in ₹)

Particulars	As at April 1, 2016		
	Level 1	Level 2	Level 3
Financial assets			
Non Current Investment			
-In Quoted Investments	1,033,029	-	-

Assets / Liabilities for which fair value is disclosed

(Amount in ₹)

Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings-fixed rate	-	9,119,771	-
Other financial liabilities	-	465,380	-

(Amount in ₹)

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings-fixed rate	-	6,604,835	-
Other financial liabilities	-	465,380	-

(Amount in ₹)

Particulars	As at April 1, 2016		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings-fixed rate	-	9,987,708	-
Other financial liabilities	-	415,880	-

During the year ended March 31, 2018 and March 31, 2017, there was no transfer between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction/ balance under level 3.

Following table describes the valuation techniques used and key inputs to valuation for level 1 of the fair value hierarchy as of March 31, 2018 and March 31, 2017, respectively:

a) Assets measured at fair value

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets			
Current Investment	Level 1	As per N A V of Mutual Fund	-
Quoted Investments	Level 1	As per Market Price of Equity Shares	-

b) Assets /Liabilities for which fair value is disclosed.

Particulars	Fair Value Hierarechy	Valuation Technique	Inputs Used
Other Borrowings-Fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates in market, future payouts

40 (a). Un-hedged Position of Foreign Currency

Particulars	As at 31st March 2018		As at 31st March 2017	
	Amount (in Foreign Currency)	Amount (in INR)	Amount (in Foreign Currency)	Amount (in INR)
-In Respect of Receivable				
USD	6,580,363	428,644,862	6,926,884	449,068,868
EURO	1,477,551	118,617,788	2,618,403	181,219,656
ETB-(Ethiopian Birr)	-	-	1,989,746	5,650,880
GHS-(Ghanian Cedi)	614,791	8,975,955	477,395	7,113,191
KSH-(Kenya Shilling)	5,191,477	3,343,311	67,290,696	49,462,949
MZN-(Mozambican Metical)	4,996,800	5,271,624	6,996,800	9,025,872
TZS-(Tanzanian Shilling)	1,559,605,141	45,036,244	3,006,502,127	122,102,116
UGX-(Ugandan Shilling)	1,57,689,762	2,784,562	16,309,851	293,577
RWF-(Rwandan franc)	2,622,600	200,658	-	-
BTN-(Bhutanese Ngultrum)	27,642,021	27,642,021	-	-
TOTAL		640,517,026		823,937,109
-In Respect of Payables				
USD	3,520,813	229,345,751	5,406,305	350,460,527
EURO	2,406,352	193,181,973	-	-
ETB-(Ethiopian Birr)	632,132	1,491,832	1,419,616	4,031,710
GHS-(Ghanian Cedi)	478,781	6,990,199	526,323	7,842,219
KSH-(Kenya Shilling)	19,359,905	12,467,779	16,563,854	10,418,664
MZN-(Mozambican Metical)	704,340	743,079	704,340	908,599
TZS-(Tanzanian Shilling)	174,470,936	5,038,145	386,549,848	11,227,123
UGX-(Ugandan Shilling)	530,543,940	9,368,602	481,050,733	8,658,913
RWF-(Rwandan franc)	4,549,606	348,095	-	-
BTN-(Bhutanese Ngultrum)	26,402,353	26,402,353	7,690,909	7,690,909
TOTAL		485,377,808		401,238,664

40 (b). Segment information

Information about primary segment

The Group is engaged primarily into one primary business segment of engineering procurement contracts for electricity, water infrastructure, oil handling systems etc.

Effective Tax Reconciliation:

A reconciliation of the theoretical income tax expense/ (benefit) applicable to the profit/(loss) before income tax at the statutory tax rate in India to the income tax expense/ (benefit) at the Group's effective tax rate is as follows:

(Amount in ₹)

41. Income tax expense

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax	76,444,212	52,300,000
Deferred tax liability/(Asset)	76,444,212	52,300,000
-Relating to origination and reversal of temporary differences	(3,038,913)	(2,442,000)
Tax expense attributable to current year's profit	(3,038,913)	(2,442,000)
Tax related to earlier years	2,380,093	2,950,080
Total Tax expense	75,785,392	52,808,080

S. No.	Description	For the year ended March 31, 2018	For the year ended March 31, 2017
1	Net Income/(Loss) before taxes	220,255,216	139,068,538
2	Enacted tax rates for company	34.608%	34.608%
3	Computed tax (Income/ Expense)	76,225,925	48,128,840
4	Increase/(reduction) in taxes on account of deferred Tax	(3,038,913)	(2,442,000)
a)	Previous year tax adjustments	2,380,904	2,950,080
b)	Income not taxable/exempt (net of disallowance)	218,286	4,171,160
	Income tax expense reported	75,785,392	52,808,080

42. Deferred income tax

The Group has accounted for deferred tax on the various adjustments between Indian GAAP and IND AS at the tax rate at which they are expected to be reversed.

The analysis of deferred tax assets is as follows.

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Book base and tax base of Fixed Assets	13,487	1,263,336
Disallowance/Allowance(net) under Income Tax	3,025,426	1,178,664
Total	3,038,913	2,442,000

Component of tax accounted in OCI and Equity

(Amount in ₹)

Description	Year ended March 31, 2018	Year ended March 31, 2017
Component of OCI	839,366	612,868
Deferred Tax (Gain)/Loss on fair valuation on Non current investments	85,037	19,140

43. Retirement benefit obligations

a. Expense recognised for Defined Contribution plan

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Company's contribution to provident fund	12,259,456	6,369,405
Company's contribution to ESI	579,754	282,250
Total	12,839,210	6,651,655

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2018 and March 31, 2017, being the respective measurement dates:

b. Movement in defined benefit obligation

(Amount in ₹)

Particulars	Gratuity (funded)	leave encashment (unfunded)
Present value of obligation - April 1, 2016	13,967,297	4,800,389
Current service cost	2,170,780	1,529,103
Interest cost	928,825	319,226
Benefits paid	(2,234,188)	(952,906)
Remeasurements-actuarial loss/(gain)	675,044	(157,757)
Present value of obligation - March 31, 2017	15,507,758	5,538,055
Present value of obligation - April 1, 2017	15,507,758	5,538,055

Particulars	Gratuity (funded)	leave encashment (unfunded)
Current service cost	2,327,048	708,977
Interest cost	1,110,355	396,525
Benefits paid	(701,191)	(1,128,862)
Remeasurements - actuarial loss/(gain)	(699,062)	(1,647,185)
Present value of obligation - March 31, 2018	17,544,908	3,867,510

c. Movement in Plan Assets – Gratuity

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair value of plan assets at beginning of year	7,824,549	7,126,071
Expected return on plan assets	590,753	623,531
Employer contributions	-	2,565,329
Benefits paid	(701,191)	(2,234,188)
Actuarial gain/(loss)	(44,596)	(256,194)
Fair value of plan assets at end of year	7,669,515	7,824,549
Present value of obligation	17,544,908	15,507,758
Net funded status of plan	(9,875,393)	(7,683,209)

The components of the gratuity & leave encashment cost are as follows:

d. Recognised in profit and loss

(Amount in ₹)

Particulars	Gratuity	Leave encashment
Current Service cost	2,170,780	1,529,103
Interest cost	928,825	319,226
Expected return on plan assets	(623,531)	-
Remeasurement - Actuarial loss/(gain)	-	(157,757)
For the year ended March 31, 2017	2,476,074	1,690,572
Current Service cost	2,327,048	708,977
Interest cost	1,110,355	396,525
Expected return on plan assets	(590,753)	-
Remeasurement - Actuarial loss/(gain)	-	(1,647,185)
For the year ended March 31, 2018	2,846,650	(541,683)

e. Recognised in other comprehensive income

(Amount in ₹)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	
For the year ended March 31, 2017	1,770,884
Remeasurement - Actuarial loss/(gain)	
For the year ended March 31, 2018	2,425,350

f. The principal actuarial assumptions used for estimating the Group's defined benefit obligations are set out below:

Weighted average actuarial assumptions	As at March 31, 2018	As at March 31, 2017
Attrition rate	20.00%	20.00%
Discount Rate	7.16%	6.65%
Expected Rate of increase in salary	6.00%	6.50%
Expected Rate of Return on Plan Assets	7.55%	8.75%
Mortality rate	IALM 2006-2008	IALM 2006-2008
Expected Average remaining working lives of employees (years)	22.92	22.63

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2016-17 as considered in previous GAAP on transition to IND AS.

g. Sensitivity analysis:

For the year ended March 31, 2017 (Amount in ₹)			
Particulars	change in Assumption	Effect on Gratuity obligation	Effect on leave encashment obligation
Discount rate	+1%	(653,922)	(199,952)
	-1%	705,102	216,051
Salary Growth rate	+1%	699,317	215,938
	-1%	(660,794)	(203,501)

For the year ended March 31, 2018 (Amount in ₹)			
Particulars	change in Assumption	Effect on Gratuity obligation	Effect on leave encashment obligation
Discount rate	+1%	(697,939)	(155,310)
	-1%	750,244	167,015
Salary Growth rate	+1%	751,409	167,275
	-1%	(711,786)	(158,384)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

h. History of experience adjustments is as follows:

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

(Amount in ₹)

Particulars	Gratuity
Year - 2019	4,359,525
Year - 2020	4,623,358
Year - 2021	3,771,267
Year - 2022	5,430,962
Year - 2023	4,881,474
Year - 2024 to 2028	27,070,013

i. Statement of Employee benefit provision

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity	9,875,303	7,683,208
Leave encashment	3,867,510	5,538,055
Total	13,742,903	13,221,263

The following table sets out the funded status of the plan and the amounts recognised in the Group's balance sheet.

j. Current and non-current provision for Gratuity and leave encashment

For the year ended March 31, 2017 (Amount in ₹)

Particulars	Gratuity	Leave Encashment
Current provision	3,694,102	1,310,232
Non current provision	3,989,106	4,227,823
Total Provision	7,683,208	5,538,055

For the year ended March 31, 2018 (Amount in ₹)

Particulars	Gratuity	Leave Encashment
Current provision	4,297,574	959,466
Non current provision	5,577,819	2,908,044
Total Provision	9,875,393	3,867,510

k. Employee benefit expenses

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	403,030,968	380,542,500
Costs-defined contribution plan	32,299,800	33,011,062
Welfare expenses	17,625,480	18,914,205
Total	452,956,248	432,467,767

(Figures in no.)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Average no. of people employed	447	377

OCI presentation of defined benefit plan

Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however, net defined liability and assets is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

When there is surplus in defined benefit plan, Group is required to measure the net defined benefit asset at the lower of the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

44. Other disclosures

a) Auditors Remuneration*

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1. Statutory Auditors		
i. Audit Fee	71,800	81,975
ii. Other Services	24,150	216,674
Total	95,950	298,649

*Previous Year figure of audit fees is inclusive of Service Tax Amount of Rs. 7,125/-

b) Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 2, 2016
Property, plant and equipment	-	-	22,992,185
Total	-	-	22,992,185

c) Commitments

Performance guarantee issued by banks on behalf of the Group. However, none of these BG has been revoked till date.

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
Performance Bank Guarantee	2,218,042,898	3,291,798,578	2,733,288,556

45. Contingent liabilities

(Amount in ₹)

Particulars	31st March 2018	31st March 2017	1st April 2016
Disputed demand of Income Tax and Sales Tax	28,489,286	73,898,523	9,282,836
Claim against the Group not acknowledged as debt	32,489,413	13,906,783	8,194,303

46. Related party transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

Related party name and relationship

a. Key Management personnel

- (1) Names of Related Parties
- (A) Key management personnel
 - (a) Avinash C. Gupta (Managing Director)
 - (b) Arjun Gupta (Whole Time Director)
 - (c) Nakul Gupta (Whole Time Director – up to 08.03.2018) (Relative of KMP)

- | | |
|---|--|
| <ul style="list-style-type: none"> (d) Arun Mittar (Independent Director Non Executive) (e) Pawan Chopra (Independent Director Non Executive) (f) Anju Banerjee (Independent Director Non Executive) (g) Vijay Nagarajan (Director of Subsidiary) (h) Ashutosh Jagga (Director of Subsidiary) (i) Arun Kochhar (Director of Subsidiary) | <ul style="list-style-type: none"> (B) Executive Officers <ul style="list-style-type: none"> (a) Sandeep Kumar Vij (Chief Financial Officer) (b) Suman Kumar Verma (Company Secretary) (d) Enterprises under Common Control / enterprises where persons described in "A and C" above are able to exercise significant influence. <ul style="list-style-type: none"> (a) Techfab International Pvt. Ltd. |
|---|--|

Related Party Transactions

(Amount in ₹)

Description	Current year 2017-18		Previous year 2016-17	
	Other Related Parties of the Group where common control substantial interest of key Management Personnel exists	Key Management Personnel	Other Related Parties of the Group where common control substantial interest of key Management Personnel exists	Key Management Personnel
Remuneration Paid				
Avinash Chander Gupta	-	20,006,784	-	12,000,000
Arjun Gupta	-	16,955,892	-	11,900,000
Nakul Gupta	-	16,037,747	-	11,900,000
Vijay Nagarajan	-	4,433,377	-	4,084,943
Ashutosh Jagga	-	2,929,998	-	2,930,636
Rajesh Kumar Gupta	-	-	-	-
Sandeep Kumar Vij	-	5,029,808	-	5,076,568
Suman Kumar Verma	-	1,286,850	-	914,914
Sitting Fees Paid				
Pawan Chopra	-	479,000	-	448,200
Arun Mitter	-	533,000	-	413,700
Anju Banerjee	-	479,000	-	448,200
Professional Fees Paid				
Arun Kochhar	-	720,000	-	882,000
Reimbursement of Expenses				
Arun Kochhar	-	-	-	381,500

Related Party Balances

(Amount in ₹)

Description	As at 31/03/2018		As at 31/03/2017		As at 01/04/2016	
	Other Related Parties of the Group where common control/substantial interest of key Management Personnel exists	Key Management Personnel	Other Related Parties of the Group where common control/substantial interest of key Management Personnel exists	Key Management Personnel	Other Related Parties of the Group where common control/substantial interest of key Management Personnel exists	Key Management Personnel
Nature of transactions						
Payable in respect of remuneration & commission						
Avinash Chander Gupta	-	3,297,729	-	5,197,666	-	3,346,162
Arjun Gupta	-	1,868,998	-	6,568,175	-	4,475,050
Nakul Gupta	-	1,524,480	-	6,337,125	-	4,475,040
Vijay Nagarajan	-	266,215	-	213,265	-	286,111
Ashutosh Jagga	-	182,662	-	152,072	-	219,136
Arun Kochhar	-	162,000	-	162,000	-	202,700
Sandeep Kumar Vij	-	288,138	-	251,364	-	222,750
Suman Kumar Verma	-	87,395	-	71,567	-	70,370
Receivable in respect of other related parties						
Techfab International Pvt. Ltd.		57,746,429	-	-		-

Remuneration to Key Managerial Personnel (KMP)

(Number of shares)

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Short Term Employee benefits	66,680,456	48,807,061
Post Employment benefits		
-Defined Contribution Plans	4,015,068	2,838,932
Total	70,695,524	51,645,993

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Issued equity shares	10,490,000	10,490,000
Weighted average shares outstanding-Basic and Diluted	10,490,000	10,490,000

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit and loss after tax-B	144,469,825	86,260,458
Basic Earnings per share (B/A)	13.77	8.22
Diluted Earnings per share (B/A)	13.77	8.22

47. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

48. Financial information pursuant to Schedule III of the Companies Act 2013

S. No	Name of the entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit and loss after tax		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	(Amount in ₹)	As % of consolidated profit and loss	(Amount in ₹)	As % of consolidated other Comprehensive income	(Amount in ₹)	As % of consolidated Total Comprehensive e income	(Amount in ₹)
	PARENT								
	Technofab Engineering Limited	97%	2,779,407,744	94%	135,498,334	100%	1,746,663	94%	137,244,997
	SUBSIDIARIES	4%							
1	Anhant Flour Mills Pvt. Ltd	4%	105,887,342	4%	6,660,084	-	-	4%	6,660,084
2	Woodlands Instruments Pvt Ltd.	1%	18,349,630	2%	2,499,483	-	-	2%	2,499,483
3	Rivu Infrastructural Developers Pvt. Ltd.	0%	(2,240,760)	0%	(188,077)	-	-	0%	(188,077)
	Consol adjustments	-2%	(50,346,042)	-	-	-	-	-	-
	Total	100%	2,851,057,914	100%	144,469,824	100%	1,746,663	100%	146,216,487

49. Disclosures Required As Per Indian Accounting Standard (IND AS) 101- First Time Adoption Of Indian Accounting Standard

Standards allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2016 opening balance sheet.

Transition to IND AS

Basis of preparation

For all period up to and including the year ended March 31, 2017, the Group has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2018, are the Group's first annual IND AS financial statements and have been prepared in accordance with IND AS.

Accordingly, the Group has prepared financial statements which comply with IND AS applicable for periods beginning on or after April 1, 2017, as described in the accounting policies. In preparing these financial statements, the Group's opening Balance Sheet was prepared as of April 1, 2016, the Group's date of transition to IND AS. This note explains the principal adjustments made by the Group in re-stating its Indian GAAP Balance Sheet as of April 1, 2017 and its previously published Indian GAAP financial statements for the year ended March 31, 2017.

Exemptions Applied

IND AS 101 First-time adoption of Indian Accounting

1. Exemptions availed

The Group has elected to measure one class of item, i.e. land under property, Plant and Equipment and intangible assets at the date of transition to IND AS at their fair value. Group has used the fair value of assets, which is considered as deemed cost on transition. The impact on fair valuation of land on transition from previous GAAP is Rs. 233,419,469/- and the deemed cost considered on transition of land. The Group has not revalued fair value of any items of PPE subsequent to the year ended 31st March, 2016.

2. Borrowing

Borrowing designated and carried at amortized cost are accounted on EIR method. The upfront fee on cost of borrowing incurred is deferred and accounted on EIR. Borrowing are shown as net of unamortized amount of upfront fee incurred on transaction. The Company has deferred ₹ 487,475/- of upfront fees.

3. The Group has decided to disclose prospectively from the date of transition the following as required by IND AS 19

- i. The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, and
- ii. The experience adjustments arising on;
 - a) The plan liabilities expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period; and
 - b) The plan assets expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period.

Under previous GAAP the Group was considering leave encashment as defined benefit plan as there was no difference in previous GAAP for accounting of experience adjustments and impact of change in actuarial assumption. On transition to IND AS, the Group has considered leave encashment as short term benefit and consequently experience adjustments and impact of change in actuarial assumption is accounted in profit and loss account.

4. Fair value of financial assets and liabilities

The Group has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under IND AS, these financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to IND AS, the requirement of initial recognition at fair value is applied prospectively.

5. Security Deposit

Under Previous IGAAP, the security deposits for

lease rental are accounted at an undiscounted value. Under Ind AS, the security deposits for leases have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Prepaid Expenses' which has been amortised over respective lease term as rent expense. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest income under 'other income'.

6. Re-measurement of defined benefit plan i.e. gratuity is accounted for in other comprehensive income.

7. Quoted and Unquoted investment

Long Term Investment

Under previous GAAP, long term investments were carried at cost unless there is permanent diminution in value of investment. Under IND AS, long term quoted investment is carried at market price available at the end of the year and unquoted investments are carried at fair value based on net asset value of the Group based on the latest audited balance sheet

Current Investment

Current investments under IGAAP were carried at cost or market value whichever is less. Under IND AS, same is carried at fair value, i.e. market price.

Impact of transition to IND AS

The following is a summary of the effects of the differences between IND AS and Indian GAAP on the Group's total equity shareholders' funds and profit and loss for the financial period for the periods previously reported under Indian GAAP following the date of transition to IND AS

Reconciliation of Balance sheet as at April 1, 2016

(Amount in ₹)

	Note No.	Previous GAAP	Adjustments	Ind AS
ASSETS				
(1) Non-current Assets				
(a) Property, plant and equipment	1	442,312,178	315,749,491	758,061,669
(b) Goodwill		56,500,960	-	56,500,960
(c) Other intangible assets		1,876,193	-	1,876,193
(d) Financial Assets				
(i) Investments	7	16,623,769	(15,590,740)	1,033,029
(ii) Other	5	17,573,416	(322,794)	17,250,622
(e) Other non current assets		213,034	-	213,034
		535,099,550	299,835,957	834,935,507
(2) Current Assets				
(a) Inventories		442,549,504	-	442,549,504
(b) Financial Assets				
(i) Investments	7	5,000,000	1,275,124	6,275,124
(ii) Trade receivables		3,214,175,988	-	3,214,175,988
(iii) Cash and Cash Equivalents		40,804,782	-	40,804,782
(iv) Bank balances other than (iii) above		471,444,748	-	471,444,748
(v) Others		20,206,085	-	20,206,085
(c) Current tax assets (Net)		76,574,484	-	76,574,484
(d) Other current assets	5	401,109,610	295,936	401,405,546
		4,671,865,201	1,571,060	4,673,436,261
TOTAL ASSETS		5,206,964,751	301,407,017	5,508,371,768
EQUITY AND LIABILITIES EQUITY				
(a) Equity Share Capital		104,900,00	-	104,900,00
(b) Other Equity		2,210,592,295	301,894,492	2,512,486,787
		2,315,492,295	301,894,492	2,917,386,787
LIABILITIES				
(1) Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2	55,480,539	(487,475)	54,993,064
(ii) Other Financial Uabilities		357,364	-	357,364
(b) Provisions		6,047,956	-	6,047,956
(c) Deffered Tax Liabilities (Net)		28,150,187	-	28,150,187
(d) Other Non Current Liabilities		299,515,902	-	299,515,902
		389,551,948	(487,475)	389,064,473
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		877,000,472	-	877,000,472
(ii) Trade payables		1,423,022,580	-	1,423,022,580
(iii) Other Financial liabilities		20,262,315	-	20,262,315
(b) Other Current Laibilities		176,103,772	-	176,103,772
(c) Provisions		5,531,369	-	5,531,369
		2,501,920,508	-	2,501,920,508
TOTAL EQUITY AND LIABILITIES		5,206,964,751	301,407,017	5,508,371,768

Reconciliation of other equity as at April 1, 2016

(Amount in ₹)

	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2016 (IGAAP) (A)	736,221,323	745,794,058	728,576,914	2,210,592,295
Adjustments:				
Add: Fair valuation of Property, plant and equipments	-	-	315,749,491	315,749,491
Less: Fair valuation of quoted and unquoted investments	-	-	-14,315,616	(14,315,616)
Add: Fair value of borrowing carried at amortized cost	-	-	487,475	487,475
Less: Fair value of security deposits	-	-	-26,858	(26,858)
Total IND AS Adjustment (B)	-	-	301,894,492	301,894,492
Balance as at April 1, 2016 (IND AS) (A+B)	736,221,323	745,794,058	1,030,471,406	2,512,486,787

Principal differences between IND AS and Indian GAAP Measurement and recognition of differences for year ended March 31, 2017

- Asset carried at Deemed cost in IND AS
The Group has elected to measure items of PPE at the date of transition to IND AS at their fair value. Group has used the fair value of assets, which is considered as deemed cost on transition. The Group has not revalued fair value of any items of PPE subsequent to the year ended 31st March, 2016.
- The impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity liability is accounted in the Statement of Other Comprehensive Income and corresponding tax impact on the same.
- Security Deposit
Under Previous IGAAP, the security deposits for lease rental are accounted at an undiscounted value. Under Ind AS, the security deposits for leases have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Prepaid Expenses' which has been amortised over respective lease term as rent expense. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest income under 'other income'.
- Fair value of financial assets and liabilities
The Group has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transaction cost less allowances for impairment, if any. Under IND AS, these financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost less allowance for impairment, if any. For transactions entered into on or after the date of transition to IND AS, the requirement of initial recognition at fair value is

applied prospectively.

5. Statement of Cash Flows

The impact of transition from Indian GAAP to IND AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under IND AS in Balance Sheet, Statement of Profit & Loss and difference in the definition of cash and cash equivalents and these two GAAP's.

- The impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity liability is accounted in the Statement of Other Comprehensive Income and corresponding tax impact on the same.

7. Quoted and Unquoted investment

Long Term Investment

Under previous GAAP, long term investments were carried at cost unless there is permanent diminution in value of investment. Under IND AS, long term quoted investment is carried at market price available at the end of the year and unquoted investments are carried at fair value based on net asset value of the Group based on the latest audited balance sheet

Current Investment

Current investments under IGAAP were carried at cost or market value whichever is lower. Under IND AS, same is carried at fair value, i.e. market price.

- Borrowing designated and carried at amortized cost are accounted on EIR method. The upfront fee on cost of borrowing incurred is deferred and accounted on EIR. Borrowing are shown as net of unamortized amount of upfront fee incurred on transaction. The Group has deferred Rs. 269,630/- of upfront fees.

Subsequent reconciliations post transition on 31st March 2017

Reconciliation of other equity

(Amount in ₹)

	Securities Premium Reserve	General Reserve	Retained Earnings	OCI	Total
Balance as at March 31, 2017 (IGAAP) (A)	736,221,323	770,794,058	790,296,721	-	2,297,312,102
Adjustments:					
Difference in other equity on transition on 01.04.2016	-	-	301,894,492	-	301,894,492
Add: difference in profit and loss for 2016-17	-	-	1,929,015	(1,194,182)	734,833
Total IND AS Adjustment (B)	-	-	303,823,507	(1,194,182)	302,629,325
Balance as at March 31, 2017 (IND AS) (A+B)	736,221,323	770,794,058	1,094,120,228	(1,194,182)	2,599,941,427

Reconciliation of Balance sheet as at March 31, 2017

(Amount in ₹)

	Note No.	Previous GAAP	Adjustments	Ind AS
ASSETS				
(1) Non-current Assets				
(a) Property, plant and equipment	1	377,915,029	315,749,491	693,664,520
(b) Goodwill		56,500,960	-	56,500,960
(c) Other intangible assets		2,917,250	-	2,917,250
(d) Financial Assets				
(i) Investments	7	16,550,881	(15,535,433)	1,015,448
(ii) Other	5	102,229,779	(280,556)	101,949,223
(e) Other non current assets		1,198,106	-	1,198,106
		557,312,005	299,933,502	857,245,507
(2) Current Assets				
(a) Inventories		372,777,838	-	372,777,838
(b) Financial Assets				
(i) Investments	7	9,999,800	2,177,473	12,177,473
(ii) Trade receivables		3,354,809,488	-	3,354,809,488
(iii) Cash and Cash Equivalents		72,676,385	-	72,676,385
(iv) Bank balance other than (iii) above		407,726,961	-	407,726,961
(v) Others		21,814,479	-	21,814,479
(C) Current tax assets (Net)		336,325,451	-	336,325,451
(d) Other current assets	5	93,676,764	248,521	93,925,285
		4,669,807,166	2,426,194	4,672,233,360
TOTAL ASSETS		5,227,119,171	302,359,696	5,529,478,867
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital		104,900,000	-	104,900,000
(b) Other Equity		2,297,312,101	302,629,326	2,599,941,427
		2,402,212,101	302,629,326	2,704,841,427
(1) Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	2	34,954,040	(269,630)	34,684,410
(ii) Other Financial Liabilities		406,864	-	406,864
(b) Provisions		8,216,929	-	8,216,929
(c) Deferred Tax Liabilities (Net)		26,340,195	-	26,340,195
(d) Other Non Current Liabilities		361,419,584	-	361,419,584
		431,337,612	(269,630)	431,067,982
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		936,581,244	-	936,581,244

	Note No.	Previous GAAP	Adjustments	Ind AS
(ii) Trade payables		1,086,344,067		1,086,344,067
(iii) Other Financial liabilities		19,840,277		19,840,277
(b) Other Current Liabilities		345,799,536		345,799,536
(c) Provisions		5,004,344		5,004,344
		2,393,569,458	-	2,393,569,458
TOTAL EQUITY AND LIABILITIES		5,227,119,171	302,359,696	5,529,478,867

Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(Amount in ₹)

	As per IGGAP	Adjustments	Ind AS
REVENUE :			
Revenue from Operations	4,021,715,961	-	4,021,715,961
Other Income	10,607,406	989,202	11,596,608
Total Revenue	4,032,323,367	989,202	4,033,312,569
EXPENSES:			
Cost of Materials Consumed	2,664,037,156	-	2,664,037,156
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(66,262,256)	-	(66,262,256)
Expenditure on Contracts	358,106,213	-	358,106,213
Employee Benefit Expense	430,696,883	1,770,884	432,467,767
Finance Cost	204,222,972	217,845	204,440,817
Depreciation and Amortization Expense	50,310,114		50,310,114
Other Expenses	251,052,390	91,830	251,144,220
Total Expenses	3,892,163,472	2,080,559	3,894,244,031
Profit Before Tax	140,159,895	(1,091,357)	139,068,538
Tax Expense :			
-Current Tax	52,300,000	-	52,300,000
-Deferred Tax	(1,809,992)	(632,008)	(2,442,000)
-Tax Adjustment Earlier Years	2,950,080	-	2,950,080
	53,440,088	(632,008)	52,808,080
Profit after tax carried to Balance Sheet	86,719,807	(459,349)	86,260,458
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss Re-measurement gains (losses) on defined			
(a) benefit plans	-	1,770,884	1,770,884
Income tax effect on above	-	(612,868)	(612,868)
Equity Instruments through Other			
Comprehensive Income (Gain on Fair valuation of			
(b) Long Term Investment)	-	55,306	55,306
Income tax effect on above	-	(19,140)	(19,140)
Total Other Comprehensive Income	-	1,194,182	1,194,182
Total Comprehensive Income for the Year	86,719,807	734,833	87,454,640

Notes on adjustment of Profit & Loss Account:

1. There is an effect of interest income and rental expenses on security deposit given.
2. Fair value of loan liabilities.
3. Fair value of investment

Summary of reconciliation of movement in profit and loss on transition to IND AS for year ended March 31, 2017

Net profit as per Indian GAAP	86,719,807
Adjustments:	
Recognition of Interest on security deposit given	86,653
Gain on Fair Valuation of investment	902,549
Reclassification of Actuarial gain and losses on Employee defined benefit plans to Other Comprehensive Income	(1,770,884)
Amortisation of Loan Processing Fees	(217,845)
Recognition of rent expenses on security deposit given	(91,830)
Tax Impact on Other Comprehensive Income	632,008
Total Adjustments	(459,349)
Net Profit as per IND AS(A)	86,260,458
Actuarial gain on employee defined benefit plans (net of tax)	1,158,016
Gain on Fair Valuation of Long Term Investment (net of tax)	36,166
Total Comprehensive Income as per IND AS	87,454,640

50. The board of directors of the Company has recommended dividend @ Rs. 2/- per share to be paid to the shareholders after getting approval from shareholders in the ensuing Annual General Meeting. The dividend along with dividend distribution tax would be accounted for under IND AS in the year in which it would be paid.
51. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.
51. Notes 1 to 52 are annexed and form integral part of Financial Statements.

As per our report attached

For G C Agarwal & Associates

For and on behalf of Board of Directors

Chartered Accountants
Firm Reg. No.017851N

G. C. Agarwal
Proprietor
Mem. No.083820

Avinash C Gupta
Managing Director
DIN - 00012077

Arjun Gupta
Whole-time Director
DIN-00012092

Date : 26.05.2018
Place : New Delhi

Sandeep Kumar Vij
Chief Financial Officer
Mem. No.076443

Suman Kumar Verma
Company Secretary
Mem. No.F7409





3000 KL Clear water REservoir, Jawai, Rajasthan India



33/11KV Sub-Station at Banka, Bihar, India



220 KV Substation UPRNNL, Bansi, U.P. India



WTP at PHED Jawai Project, Rajasthan India



Mooring Dolphing and Pump House Ghana Water Company, Accra, Ghana



Fuel Unloading Facility at Free Port of Monrovia, Liberia



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